

FBIS

DAILY REPORT

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FOREIGN TRADE TO FURTHER EXPAND NEXT YEAR

HK141024 Beijing ZHONGGUO XINWEN SHE in Chinese 0757 GMT 14 Dec 84

[Report: "China Will Continue To Expand Its Foreign Trade and Economic Cooperation Next Year" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 14 Dec (ZHONGGUO XINWEN SHE) -- China, which is gradually implementing an agent system in its foreign trade, will increase its total trade volume of its imports and exports from more than \$40 billion this year to \$50 billion next year. The scale of its foreign economic cooperation will also be further expanded, and its contracted projects in foreign countries and cooperation in providing labor services will achieve still greater development.

Therefore, China is actively expanding its export business and organizing its import business and is striving to increase its trade volume with Western Europe, the Third World, the USSR, and East European countries.

The trade between China and the USSR has recorded considerable progress in recent years. This year the trade volume will reach \$1.2 billion, an increase of 60 percent compared with last year. At the end of last month, China and the USSR held consultations in Moscow, at which both sides agreed that the trade volume between the two countries next year would be 3.6 billion Swiss francs, which would constitute an increase of 35.7 percent over this year. These annual trade talks began earlier than in previous years, and positive results were achieved amid an atmosphere of mutual understanding, to the satisfaction of both sides. Arkhipov, first deputy chairman of the Presidium of the USSR Council of Ministers, will visit China in the last 10 days of this month, which will further promote the development of the relations between the two countries in the fields of economy, trade, and science and technology.

Authoritative people here say that China's modernization drive needs advanced technology and equipment. Therefore, China practices an open policy toward all countries and adopts measures to protect the interests of foreign investors. From 1985 to 1987, China plans to use \$14.2 billion in foreign exchange to import 4,820 technological items, so as to carry out technological transformation in existing enterprises. It is hoped that foreign corporations, when selling their products to China, can also carry out technological transfer, and that products plus technology will increase the competitive power of these products.

In recent years the United States has gradually been relaxing its restraints on transfer of technology to China. Authoritative people here hold that if the pace is increased, the relations between the two countries will become closer and the trade volume will increase faster. China has noticed that the United States is active in making investments in China, and the economic cooperation between the two countries has had a good start. It is hoped that the United States can speed up its pace of investment in China. The Governments of China and Great Britain have reached a satisfactory agreement on the question of Hong Kong, which shows that the two countries have good political cooperation. Authoritative people here hope that during Mrs Thatcher's visit to China, both sides can carry out consultations on cooperation in the economic field, in order to lay a foundation for the development of economic cooperation between the two countries.

ZHAO SPEAKS AT FOREIGN AFFAIRS INSTITUTE GALA

OW151952 Beijing XINHUA in English 1838 GMT 15 Dec 84

[Text] Beijing, December 15 (XINHUA) -- People's diplomacy has helped China make progress in its foreign relations, Premier Zhao Ziyang said here today.

People-to-people friendship had a permanent role in international relations and there were broad prospects for these contacts, Zhao told a reception here this evening marking the 35th anniversary of the Chinese People's Institute of Foreign Affairs. More than 360 Chinese diplomats, scholars and officials attended the reception.

The institute was established immediately after the founding of the People's Republic in 1949 on the proposal of the late Premier Zhou Enlai, who remained its honorary president until his death in 1976. The late vice-premier and Foreign Minister Chen Yi was also elected an honorary president in 1964.

The institute promotes studies of international issues and foreign policy, as well as conducting people-to-people contacts.

In his speech, Premier Zhao praised the institute for its contributions to promoting friendship and cooperation between the Chinese people and peoples of other countries. The institute had done much to publicize China's domestic and foreign policies and its achievements, while studying international issues, conducting academic exchanges and drawing useful knowledge from other countries, he said.

Describing China's diplomacy as in its busiest period since the founding of the People's Republic, he urged the institute to step up its studies of international affairs and China's foreign policy. At the same time, he said, members of the institute should examine closely the Communist Party's policies, familiarize themselves with China's domestic situation. They should also conduct more academic exchanges to strengthen understanding and friendship between the Chinese and other peoples and contribute to world peace.

Also present at the reception were Geng Biao and Hu Yaobang, vice-chairmen of the National People's Congress Standing Committee; State Councillor Ji Pengfei; Wu Xueqian, state councillor and foreign minister; Qiao Shi, alternate member of the Secretariat of the Chinese Communist Party Central Committee; and Cheng Zihua, Zbon Peiyuan, and Burhan Shahidi, vice-chairmen of the National Committee of the Chinese People's Political Consultative Conference.

Li Xiannian, China's president, Peng Zhen, chairman of the N.P.C. Standing Committee, Deng Yingchao, chairman of the C.P.P.C.C. National Committee, sent their congratulations to the institute.

Addressing the occasion, Han Nianlong, president of the institute, said that it had received some 10,000 visitors from more than 100 countries. It also had contacts with official and semi-official individuals in countries which had no diplomatic relations with China. These contacts had strengthened mutual understanding and accelerated the process of establishing diplomatic relations, he added.

The institute was confronted with new tasks in implementing China's foreign policy for peace and its policy of opening to the outside world. "We will make greater efforts to promote people-to-people contacts with foreign countries," he added.

PRC ACTIONS AS INTERPOL MEMBER DISCUSSED

OW141253 Beijing XINHUA in English 1230 GMT 14 Dec 84

[Text] Beijing, December 14 (XINHUA) -- Since China joined the international criminal police organization -- Interpol -- in September this year, it has already exchanged a large amount of information with the General Secretariat of Interpol in Paris and other members. Liu Wen and Zhu Entao, heads of the Interpol National Central Bureau, China, said this at a news briefing here today.

Liu Wen said, so far, the bureau has received all kinds of arrest warrants, international notices, dispatch letters and telex information from the General Secretariat and other member countries and successfully handled some cases of an international character. They were mainly economic crimes including swindling and drug smuggling. China has also called for international cooperation in some cases through Interpol.

China was accepted as a full member of the Interpol according to the full terms in China's application by more than two thirds majority of affirmative votes on September 5 at the 53rd General Assembly session of the organization. China's participation in Interpol is aimed at strengthening relations and cooperation with criminal police organizations the world over in combating criminal activities of an international character, Liu said.

Zhu Entao said: "Considering the historical background and the present situation, as well as the tasks of Interpol, China agreed that the Taiwan police force can be represented in, and maintain its professional contact with, the organization under the title, 'Associate Bureau of Taipei, China (its regional name should be 'Taiwan, China'." [parenthesis as received] He pointed out that this by no means "attached a political condition" on China's joining Interpol. "The fact that the People's Republic of China became a full member of Interpol merely signifies that the country has resumed the position that was unjustly occupied by Taiwan in the name of "Republic of China", he added.

Answering questions, Liu Wen said that the status of the Hong Kong police force within Interpol after 1997 will be further discussed, in line with the China-Britain agreement on Hong Kong and the Chinese Government's policy of "one country, two systems".

As a matter of fact, he added, the cooperation between the Chinese and Hong Kong police has already been realized in the past months and will further develop in the future. "Of course, this does not mean Chinese police carry out direct investigations in Hong Kong, nor vice versa. They just exchange necessary information."

Liu described the major tasks of the Chinese Liaison Bureau as carrying out international liaison, information and intelligence collection, organizing and guiding criminal investigation, and counter-measures against criminal offences of an international character.

PUBLIC SECURITY DELEGATION RETURNS FROM EUROPE

OW151129 Beijing XINHUA Domestic Service in Chinese 1456 GMT 13 Dec 84

[Text] Beijing, 13 Dec (XINHUA) -- The Chinese public security delegation, led by Public Security Minister Liu Fuzhi, which visited Romania, Yugoslavia, the Federal Republic of Germany, and Italy at the invitation of their respective interior or internal affairs ministries between 16 November and 13 December, returned by plane to Beijing today.

UN-AIDED MANAGEMENT CLASS ENDS IN BEIJING

OW140455 Beijing XINHUA Domestic Service in Chinese 1227 GMT 13 Dec 84

[Text] Beijing, 13 Dec (XINHUA) -- A study class for middle-level cadres on economic management with regard to the importation of industrial technology ended in Beijing today. The study class was run by the Central Finance and Banking College under an agreement signed between the Chinese Government and the United Nations Development Program. Opening in early November, the study class lasted 1 and 1/2 months.

The World Banking and Economic Development College, China's Central Finance and Banking College, the State Economic Commission, the State Patent Bureau, and the Ministry of Foreign Economic Relations and Trade sent experts and teachers to lecture to the study class. The main topics of the lectures were strategy and policy of national technological development, evaluation and economic analysis of technology importation, negotiation and trade knowledge on technology importation and technology importation in other countries.

Students of the study class were responsible cadres and engineering and technological personnel of the economic committees from the various provinces, autonomous regions, municipalities, and the coastal open cities who are in charge of importing technology for revamping the existing enterprises. Through study, the students have acquired a basic understanding of the successful experience and lessons learned in technology importation by other countries. They have initially mastered economic analysis on the importation of technology, and learned basic skills in the selection of technology and trade talks. Such study will surely play a positive role in improving technology importation work.

FOREIGN FIRMS SEEK DATA ON OFFSHORE DRILLING

OW152004 Beijing XINHUA in English 1852 GMT 15 Dec 84

[Text] Beijing, December 15 (XINHUA) -- By today's application deadline, 40 oil companies from 10 countries and Hong Kong had asked for data on offshore exploration and development blocks in the eastern part of the Yingge Sea Easin, the China National Offshore Oil Corporation (CNOOC) announced here today. The second round of bidding for joint Sino-foreign contract rights, which opened on November 22, involved about 100,000 square kilometers in the South China Sea off Hainan Island. The first four blocks designated in the round cover 13,300 square kilometers.

The 40 firms include 18 American companies, six companies from Japan, five from Britain, two each from Canada, Norway and Hong Kong, and one each from Australia, France, Spain, Brazil and Italy. Among them 24 took part successfully in the first round of bidding last year, and they have signed contracts with China for joint offshore oil exploration and development. These firms included ESSO, Chevron, Texaco and ARCO of the United States, BP and Shell from Britain, AGIP of Italy and ELF of France, CNOOC said.

The other 12 companies involved in the new round are new applicants such as Statoil and Norsk Hydro A.S. of Norway, the Reading and Bates International Petroleum Company of the United States and Mitsui and Mitsubishi of Japan. Contract negotiations are expected to begin next September.

In the past four years, 31 firms from 10 countries signed 23 contracts for joint Sino-foreign oil exploration on offshore blocks covering 93,289 square kilometers. The foreign companies have undertaken to invest more than two billion U.S. dollars in exploration. So far, 59 wells have been sunk with 27 reporting oil and gas flows. Tests have shown that two of the wells are producing over 1,000 tons of crude oil a day.

XINHUA REVIEWS MURDER OF CHINESE-AMERICAN WRITER

OW150730 Beijing XINHUA in English 0702 GMT 15 Dec 84

["Slaying of Chinese American Writer Is Case of Political Assassination" (by Wang Shengliang) -- XINHUA headline]

[Text] Beijing, December 15 (XINHUA) -- Findings of criminal investigation and revelations from other sources have proved that the cold-blooded murder of Chinese American writer Henry Liu is a case of political assassination.

Liu, also known as Jiang Nan for his biography of Chiang Ching-kuo of Taiwan, was shot dead by two men outside his house in Daly, south of San Francisco, on October 15.

The Daly police and the Federal Investigation Bureau were reported to have found clues connecting the crime to an underground organization, the "Bamboo Gang" in Taiwan. They have identified the gang's top leader, Chen Chi-li, and two other members as the major suspects of the murder. The three left the west coast of the United States for Taiwan late in October.

On November 27, the American police detained another suspect named David Yu who was believed to have taken the murderers to Daly and back. But the district attorney insisted that the evidence was inadequate, and Yu was released after 48 hours.

After the slaying, it was reported, police found two bicycles abandoned by the suspects, Wu Ton and Dong Guiseng, near the victim's home. Chen Chi-li was believed to have stayed in San Francisco in command of the operation.

According to a statement issued by the committee of the Jiang Nan (Henry Liu) incident on December 4, the Daly City police and FBI's investigation indicated that Jiang Nan's murder was politically motivated, conspired by powerful figures in Taiwan in order to silence Jiang Nan and prevent him from publishing works about the Chiangs.

The committee protested against the release of David Yu and requested the U.S. Department of Justice to demand the extradition of Chen Chi-li and other suspects now in Taiwan, to the United States, and form a federal jury and prosecute them.

The committee's lawyer, Jerome Garchik, said at a press conference on the same day that Jiang Nan's murder was executed by the head of "Bamboo Gang," Chen Chi-li, who is closely associated with some top-ranking officials in Taiwan.

A Chinese-language newspaper in the U.S. pointed out that Jiang Nan had had nothing to do with the "Bamboo Gang" in his life time. Widow Helen Liu said that her husband had had no contact whatsoever with the gang which could not possibly hold any grudges against him. Many Chinese Americans believe that the murder executed by the "Bamboo Gang" was probably inspired by people behind the scenes.

After the U.S. law-enforcement authorities announced on November 29 the Bamboo Gang's involvement in the murder, the press in Taiwan ended its black-out of the news of the assassination. It started to draw attention to the Bamboo Gang's role in the case, and even claimed that the case had cleared up thanks to information supplied by the Taiwan authorities.

The Daly police denied at a press conference on December 3 that they had ever got in touch with the police in Taiwan or received any direct clues for solving the case from there. The U.S. police authorities attributed the progress in solving the case to the clues provided by the Chinese communities in California.

After Chen Chi-li and the other suspects fled to Taiwan, a crackdown on the island's underworld started on November 12. On the same day, Chen Chi-li was arrested at the home of his brother-in-law. Thirteen days later, Wu Tun was also arrested. The other suspect, Tung Kui-sen, is still at large and was reported to have fled to the Philippines. By December 2, more than 300 people have been rounded up.

The U.S.-based Chinese-language weekly BEAUTIFUL ISLAND suggested that the murder of Jiang Nan by the "Bamboo Gang" has strong political motives and the crackdown by the Taiwan authorities was merely a smokescreen to cover up their connection with the gang. The magazine held that the police action was meant to have the whole gang rounded up and leave no living witness.

Chen Chi-li has reportedly confessed involvement in the murder of Jiang Nan. The court of San Mateo County, California, issued a warrant on December 3 for Chen's arrest and would apply to the Justice Department for a federal warrant against him on the charge of escaping prosecution.

Jiang Nan's widow Helen Jiu has expressed the hope that the U.S. Government would continue to investigate the real cause of the murder and the real culprit behind the scenes.

RECENT U.S. DIPLOMACY IN MIDDLE EAST ANALYZED

OW142257 Beijing XINHUA in English 1600 GMT 14 Dec 84

["News Analysis: Murphy's Latest Tour of Middle East" -- XINHUA headline]

[Text] Beirut/Damascus, December 13 (XINHUA) -- U.S. Assistant Secretary of State Richard Murphy has been busy shuttling between Beirut, Tel Aviv and Damascus since last week, but failed to break the deadlock at the Lebanese-Israeli troop withdrawal talks in the border town of Al-Kharrub in southern Lebanon.

Nine rounds of talks have been held since November 8 at the headquarters of the U.N. interim force in Lebanon, but neither Lebanon nor Israel have softened their positions on the security issue in south Lebanon after an eventual Israeli pullout. Lebanon insists on the deployment of the government forces, with help of the U.N. peace-keeping force, along the strip south of the Awali River, while Israel demands a security role for the Israeli-backed "Southern Lebanese Army."

Murphy denied he was carrying a plan for breaking the stalemate at the talks, but said he hoped his meetings would act as a catalyst to get the talks back on track. However, the outcome proved his incapacity.

Murphy's latest trip was the third of its kind since September this year. Like the previous two, it was designed to mediate a troop withdrawal plan between Lebanon, Israel and Syria as a prelude to reviving the Reagan Mideast plan put forward in 1982.

The Israeli invasion of Lebanon in 1982 damaged the United States' image in the Middle East. The unscrupulous move by Israel, the ally of the United States in the region, triggered off strong protests from the Arab world. Even Egypt, which included a peace treaty with Israel in 1979, also "froze" its relationship with Tel Aviv, while moderate Arab nations began to doubt America's role in the Middle East.

To improve its prestige in the region and to quell the outrage of the Arab nations, Murphy made the three trips for seeking an Israeli pullout. As for Syria, which too has been stationing troops in Lebanon, also hopes to see a troop withdrawal agreement signed by Lebanon and Israel in a hope to consolidate its position following the rapprochement between Jordan and Egypt.

Nevertheless, the obstacle to the negotiation process, as observers here pointed out, remains Washington's refusal to exert influence on Israel and press the latter to withdraw from the occupied land.

Besides, U.S. refusal to recognize the Palestine Liberation Organization (PLO) as the sole representative of the Palestinian people and their right to an independent state has rendered its attempt to revive Reagan Mideast Plan more difficult to realize.

Murphy also visited Egypt, Jordan and Saudi Arabia to sound out these countries' reactions to the U.S. efforts to revive the Reagan plan. It was reported that King Fahd of Saudi Arabia explicitly told Murphy that the Arab world will not accept the Reagan plan because Washington does not recognize the PLO.

Syrian officials, meanwhile, pointed out that there will be no Middle East peace to speak of if the United States does not adopt a "wiser attitude" towards Israel.

PRC-U.S. COMPUTER BANKING SEMINAR OPENS 17 DEC

OW170714 Beijing XINHUA in English 0700 GMT 17 Dec 84

[Text] Beijing, December 17 (XINHUA) -- A three-day seminar on computerised banking information started here today. The seminar is sponsored by the Burroughs Corporation of the United States and the Huafeng Industrial Corporation of China. The two corporations have been cooperating for four years. The Chinese Corporation has imported from Burroughs a large computer network system which is now in operation in its computer center.

During the seminar, the two sides will discuss the possibility for importing Burroughs' computer technology for producing new types of computers in China, seminar officials said.

From today on, the American side will give technical reports on the trend of world banking business, front office branch automation, international funds transfer, banking information system and research and analysis language.

Yesterday evening, the Chinese corporation gave a dinner for the American guests. Present were Song Jian, minister in charge of the State Science and Technology Commission, and Chinese bankers.

QIAN QICHEN COMMENTS ON UPCOMING ARKHIPOV VISIT

HK150750 Beijing ZHONGGUO XINWEN SHE in Chinese 0659 GMT 15 Dec 84

[Text] Beijing, 15 Dec (ZHONGGUO XINWEN SHE) -- Answering a SHIJIE ZHISHI reporter's questions on Sino-Soviet relations, Vice Foreign Minister Qian Qichen said: The development of Sino-Soviet relations is certainly not determined by the state of Sino-U.S. relations, and the converse also applies: The development of Sino-U.S. relations is certainly not determined by the state of Sino-Soviet relations. The idea that the development of Sino-Soviet relations will affect Sino-U.S. relations will affect Sino-Soviet relations, is totally without foundation and incorrect.

Qian Qichen said that China pursues a foreign policy of acting independently and keeping the initiative in its own hands; it makes its own judgments and determines its own stands in light of the rights and wrongs of each matter. China will not knuckle under to or attach itself to any great power or pursue a foreign policy of balance and equidistance. It plays neither the Soviet nor the American card. China's fundamental principle and point of departure is that of struggling to preserve the interests of the peoples of China and the world and to preserve world peace.

On Soviet First Deputy Chairman Arkhipov's forthcoming visit to China, Qian Qichen said that Arkhipov is an old friend of China who worked in China for many years during the 1950's and acted as chief adviser to the Soviet experts helping with China's construction. He made a useful contribution to formulating and carrying out China's First 5-Year Plan. Quite a few of the older generation of China's leaders are acquainted with him. His visit to China has been talked about for a long time. It is natural that we will warmly welcome him and give him a friendly reception. During his visit, State Council leaders will hold talks with him, and a number of Chinese leaders who know him will also hold friendly meetings with him. These contacts at a higher level will, without doubt, help to promote mutual understanding between the two sides and create an excellent atmosphere for improving relations between the two countries. First Deputy Chairman Arkhipov is in charge of the Soviet Union's foreign economic liaison work. We hope that, as a result of his visit, the two sides will make some progress in economics and trade, scientific and technological cooperation, and so on.

What are the prospects for the development of Sino-Soviet trade relations? Qian Qichen held that China and the Soviet Union, two big neighbors, can each supply what the other lacks and learn from each other's strong points to offset their weak points in the economy and trade, and the development potential is very great. The Soviet Union needs many of China's light industrial and agricultural products, while China needs a great deal of the Soviet Union's timber, steel, and large machine products. Moreover, trading conditions are favorable since the two are neighbors, they journey is short, and transportation is convenient: the two countries can become relatively good trading partners. In fact, the volume of trade between them has been rising constantly in recent years.

Qian Qichen's general evaluation of the Sino-Soviet consultations, five rounds of which have now been held, is: Both sides have expressed the desire to improve relations, but there are still major differences [zhongda fenqi 6850 1129 0433 2978] on how to genuinely achieve normalization of relations between the two countries. Although the atmosphere at the consultations is good, no substantial progress has been made. The dialogue will continue, and the sixth round will be held in Moscow next April.

This interview is carried in issue No 24 of SHIJIE ZHISHI, which will be published tomorrow.

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C 2

PRC INTERNATIONAL AFFAIRS
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SWEDEN REPORTS SOVIET UNDERGROUND NUCLEAR TEST

OW170703 Beijing XINHUA in English 0653 GMT 17 Dec 84

[Text] Stockholm, December 16 (XINHUA) -- The Soviet Union today detonated an underground nuclear explosion at its nuclear testing ground in Semipalatinsk, the Swedish telegraph bureau reported.

According to the report, the Swedish Seismological Institute in Uppsala said the blast, which was registered at the Richter Scale of 6.8 occurred at 0355 GMT a.m. today.

CHINA DAILY NOTES INCREASED TRADE AT USSR BORDER

HK150400 Beijing CHINA DAILY in English 15 Dec 84 p 1

[By staff reporter Gang Yi]

[Text] Manzhouli -- The City of Manzhouli, one of the major trading posts along China's northern frontier with the Soviet Union, has witnessed a steady increase in Sino-Soviet trade since 1982.

During the last three years, the volume of trade the city handled has more than tripled. In 1982, when China and the Soviet Union started normalization talks, the volume of trade between the two countries through the city was only 420,000 tons. In 1983, it more than doubled, reaching 970,000 tons and the figure is expected to reach 1.5 million tons by the end of this year. But compared with the highest figure recorded in the 1950s, which was 3.8 million tons, it still falls far behind.

The Chinese are buying steel, timber, machines, equipment and vehicles, while the Soviet purchases are mostly foodstuffs, fruits, textiles and other light consumer goods.

Located on the northern tip of the Hulunbyr Prairie and 935 kilometres from Harbin, capital of Heilongjiang Province, Manzhouli was first built by the Russians in 1903 along with the Zhongdoh railway.

As a trading post and transportation hub linking Asia and Europe, Manzhouli has many exchanges with the Soviet side. At any time of the year, both countries have about a dozen people working on the other side. At the busiest season there are as many as 50. They are mainly engaged in trade, transportation, the customs, business and border quarantine.

The city is only nine kilometres away from the border and has a 101.1 kilometre stretch under its jurisdiction. It is marked by manmade mounds of black stones standing at a distance of several kilometres each. On either side of the border, the two countries have built barbedwire fences and observation posts.

As a usual practice, if one side wants to meet the other, it will hoist a small red flag from the observation tower. If the other side agrees, it will hold out a red flag in response. The two sides then will meet at the border line. However, if both sides see it necessary, they will hold formal talks in a frontier station.

In the past, these meetings were held to discuss routine business, such as border-crossings by people or livestock. The prevailing atmosphere was usually tense with both sides trading accusations or protests.

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Nowadays, the meetings are conducted in a more relaxed manner. The topics are no longer restricted to border incidents. And both sides try to avoid the use of strong words. After formal talks, the two sides usually have a meal together, followed by a game of cards or a movie show.

Accompanied by frontier guards, I rode in a jeep along the border line for about three hours. All the way I saw no signs of military movement on either side. Herdsmen were tending their sheep and horses on the pasture in a peaceful atmosphere. Peasants were fishing in small ponds not far from the border.

An officer told me that when Sino-Soviet relations were at their worst point, Soviet troops often held exercises involving tanks, warplanes, cannons and infantry men, and using live ammunition. But there has been none on such a large scale during the past four or five years in this area.

Starting from this year, friendship associations of the two countries resumed the exchange of visits after 20 years.

However, there are also signs of potential tension between the two countries. On the Soviet side of the border, in addition to observation posts I saw pillboxes, bunkers and tank emplacements. In some sections, the Soviets have built barbed-wire fences 11 rows deep.

MOSCOW CONCERT SETS CHINESE POEM TO MUSIC

OW151323 Beijing XINHUA in English 1256 GMT 15 Dec 84

[Text] Moscow, December 14 (XINHUA) -- The Soviet song chorus at a concert here today chanted songs set to poems by ancient Chinese poet Du Fu.

The songs were composed by Prof Nikolay Sidelinikov of the Moscow Conservatory and Du's poems were translated into Russian by Soviet Sinologist A. Gitovich.

Sidelinikov, who visited China last month, told Chinese Ambassador in Moscow Yang Shouzheng after the concert that he hoped to visit Du's former residence in China's Sichuan Province if he has the chance to go to China again. A similar concert was given last year at the musical festival of "Moscow Autumn".

Du Fu (712 -- 770), a most popular ancient Chinese poet living in China's Tang Dynasty, was known for his penetrating criticism of the social evils of his time and for his strong sympathy with the ordinary people.

PRC BEATS USSR IN MOSCOW TABLE TENNIS TOURNEY

OW141224 Beijing XINHUA in English 1213 GMT 14 Dec 84

[Text] Moscow, December 13 (XINHUA) -- China's men's and women's table tennis teams defeated Soviet squads 9-0 and 5-0 respectively in games here this evening.

Both teams fielded four players in the men's contest and three in the women's play. The Chinese won 13 of the 14 matches in two sets. The players of the two countries had joint practice sessions Tuesday and Wednesday, and the coaches discussed each other's methods.

A final series of games will be held Saturday.

BANK OF CHINA PRESIDENT MEETS WITH NAKASONE

OW141632 Beijing XINHUA in English 1451 GMT 14 Dec 84

[Text] Tokyo, December 14 (XINHUA) -- Japanese Prime Minister Yasuhiro Nakasone expressed deep admiration for the daring policy mapped out by the Chinese leaders in opening up to the outside world and in settling the Hong Kong issue.

Meeting with President Jin Deqin of the Bank of China here today, Nakasone said the Sino-British joint statement on Hong Kong has been well received by the world. Jin Deqin, who arrived here on December 12 at the head of a financial delegation, signed a memorandum yesterday with Matasaka Okura, governor of the Export and Import Bank of Japan for the second stage of Japanese loans to finance China's oil and coal projects.

Congratulating the memorandum, Nakasone said the agreement on the loans to China is a step forward for long-term Japan-China friendship, a wish cherished by the Japan-China 21st Century Committee that was established between the leaders of the two countries. He was also confident that with unremitting efforts from both sides, the goal of the 21st Century Committee can certainly be attained.

In the afternoon, Japanese Finance Minister Noboru Takeshita met with Jin Deqin, and the two agreed to work hard for further financial cooperation between the two countries.

FRIENDSHIP GROUP VISITS JAPAN, MEETS NAKASONE

OW141546 Beijing XINHUA in English 1444 GMT 14 Dec 84

[Text] Tokyo, December 14 (XINHUA) -- Japanese Prime Minister Yasuhiro Nakasone said today that cooperation between Japan and China in seeking joint development and prosperity is not only beneficial to the two countries but also indispensable to Asia and the world as a whole.

He said this in a meeting with a delegation of the Chinese Association for Friendship With Foreign Countries headed by Fei Xiaotong, vice-president of the Chinese People's Political Consultative Conference (CPPCC). Expressing satisfaction with the smooth development of the friendly ties between the two countries; Nakasone said that although his political belief is different with those of the Chinese leaders, they have established between them profound friendship.

Touching on cultural ties between the two countries, Nakasone recalled China's influence on Japanese culture and hoped the two cultures, originating from the same root, would further develop through exchanges. He told the Chinese guests that he was concerned with the commercialization trend appearing in Japan's movies and TV programs, which, he said, if not checked, would damage the Japanese cultural tradition.

Chinese film director Xie Tieli, a member of the delegation, expressed full appreciation of Nakasone's remark. At the end of the meeting, the Chinese delegation presented Nakasone a copy of the Chinese version of his works "The New Conservative Theory."

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The Chinese delegation arrived here on December 1 at the invitation of the Japan-China Cultural Exchange Association and is to leave for home tomorrow.

ZHEJIANG GOVERNOR MEETS JAPANESE, HONG KONG GUESTS

OWL50645 Hangzhou ZHEJIANG RIBAO in Chinese 2 Dec 84 p 1

[Text] Governor Xue Ju and Vice Governor Xu Qichao met with Toshio Takeuchi, president of the Toyomenka Kaisha, Ltd. of Japan; and Jin Lianzhen, executive director of the Dongmao Company, Ltd. of Hong Kong, in Hangzhou on the evening of 1 December. Hosts and guests held friendly discussions on matters of common interest, such as cooperation in operating wind power stations and in the Ningbo iron and steel plant.

The 10-member group, including the members of a delegation from the Toyomenka Kaisha, Ltd. of Japan and Jin Lianzhen, executive director of the Dongmao Company, Ltd. of Hong Kong, arrived on 30 November to visit Zhejiang Province and Hangzhou City. The group came at the invitation of Xu Qichao, vice governor of the Zhejiang Provincial People's Government.

During its stay in Hangzhou, the group had wide contacts and held repeated discussions with the departments concerned, including the Zhejiang Provincial International Trust and Investment Corporation and the provincial Department of Foreign Economic Relations and Trade. The Zhejiang Provincial International Trust and Investment Corporation signed a letter of intent for business cooperation with the Japanese and Hong Kong firms. The two sides decided to hold substantial talks on specific projects in the near future. The group will leave Hangzhou for Shanghai this afternoon.

DPRK AGREES TO RESUME TALKS WITH SOUTH KOREA

OW142325 Beijing XINHUA in English 1455 GMT 14 Dec 84

[Text] Pyongyang, December 14 (XINHUA) -- The North side of Korea has agreed to hold the second round of economic talks and the 8th round of Red Cross talks between the North and South of Korea in January of 1985, the KOREAN CENTRAL NEWS AGENCY (KCNA) reported this afternoon.

Yi Song-nok, head of the delegation of the North to the economic talks, and So Sung-chol, head of the delegation of the North to the Red Cross talks, today respectively sent telephone notices to the South, proposing that the economic talks be held at Panmunjom on January 17, and noting with pleasure that the South agreed to hold the Red Cross talks in Seoul on January 23.

The KCNA quoted Yi Song-nok as saying the North hopes that "in conformity with the nation's desire and aspiration North-South relations will be improved and North-South economic talks, too, bear fine fruit in the new year."

So Sung-chol said the reopening of the Red Cross talks which had been suspended for 11 years "is a good thing giving new hope to the entire Korean people and the peace-loving people of the world who desire peace in our country and its peaceful reunification, to say nothing of families and relatives separated in North and South."

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The second round of North-South economic talks was postponed from December 5 this year to next year due to the Panmunjom firing incident on November 23.

The proposal for holding the 8th round of Red Cross talks on January 23 was put forward by the north at the preliminary meeting of the Red Cross Societies of the two sides held on November 20.

DENG LIQUN MEETS DPRK ARTISTS DELEGATION

OW151734 Beijing XINHUA in English 1643 GMT 15 Dec 84

[Text] Beijing, December 15 (XINHUA) -- Deng Liqun, member of the Secretariat and head of the Propaganda Department, of the Chinese Communist Party Central Committee, met here this afternoon a group of artists from the Democratic People's Republic of Korea led by Chae Chang-song.

THAI DEPUTY PRIME MINISTER VISITS, MEETS LEADERS

Li Peng Hosts Banquet

OW141929 Beijing XINHUA in English 1625 GMT 14 Dec 84

[Text] Beijing, December 14 (XINHUA) -- China will look for new ways to advance economic and technical cooperation with Thailand, Chinese Vice-Premier Li Peng said here today. Li made these remarks at a banquet he gave for Thai Deputy Prime Minister Phichai Rattakun and Mrs. Phichai. The new development of economic and technical cooperation between China and Thailand would provide new experience for "South-South cooperation", he said.

Li hailed Sino-Thai relations as an outstanding example in handling state-to-state relations on the basis of the Five Principles of Peaceful Coexistence.

Both Li and Phichai expressed satisfaction over the growth of Sino-Thai cooperation in various fields since diplomatic relations were established between the two countries in 1975.

Phichai said that Thailand would provide some advanced projects in its cooperation with China on the basis of equality and mutual benefit. Li said that maintaining peace and stability in Asia and particularly Southeast Asia was an issue of great concern to all countries and peoples in this area. China supported the Kampuchean people's just struggle to safeguard their national independence and was determined to maintain peace in this part of the world, Li said. China would, as always, join the government and people of Thailand in fighting unremittingly against the aggressive expansion of the Vietnamese authorities, he added.

He also spoke highly of Thailand's domestic achievements and its just stand on the Kampuchean question.

Phichai thanked China for its support to the election of Thailand as a non-permanent member in the U.N. Security Council. He said that the two countries had similar policies and attitudes toward the Kampuchean question. Both demanded the withdrawal of Vietnamese troops from Kampuchea so that the Kampuchean people could decide their own destiny and achieve peace and stability, Phichai said.

Deputy Prime Minister Phichai and his party arrived here earlier today at the invitation of the Chinese Government. They were greeted at the airport by Vice-Premier Li Peng and Vice-Minister of Foreign Affairs Liu Shuqing.

Phichai Meets Chen Muhua

OW151415 Beijing XINHUA in English 1310 GMT 15 Dec 84

[Text] Beijing, December 15 (XINHUA) -- Chen Muhua, state councillor and minister of foreign economic relations and trade, today met visiting Thai Deputy Prime Minister Phichai Rattakun to discuss the further development of economic ties between China and Thailand. Sino-Thai trade was growing, and efforts should be made to open up new areas, Chen said.

The two countries had carried out a dozen cooperative projects including ventures in motorcycle production, chicken farms and a glass factory. "These projects are all proceeding well, and we feel satisfied," she said.

Phichai said the future of economic cooperation and trade between Thailand and China was bright. "In order to promote such cooperation we should put our emphasis on joint ventures," he said.

Meets Zhao Ziyang

OW151518 Beijing XINHUA in English 1430 GMT 15 Dec 84

[Text] Beijing, December 15 (XINHUA) -- China regards it as one of its unswerving policies to develop permanent and stable friendship and cooperation with Thailand, Premier Zhao Ziyang said today.

In a meeting with Thai Deputy Prime Minister Phichai Rattakun here this afternoon, Zhao said that great development had been achieved in Sino-Thai relations in various fields since the two countries established diplomatic relations in 1975.

Zhao described China and Thailand as friends of mutual trust. "The Sino-Thai relationship is a model for international relations based on the Five Principles of Peaceful Coexistence," he added.

Phichai also expressed satisfaction with relations between the two countries. Recalling his last visit nine years ago, he said great changes had taken place in China as a result of the concerted efforts of the Chinese people and the correct guidance of their leaders.

Both Zhao and Phichai said they hoped to expand Sino-Thai economic and technical cooperation -- a course for which there was a great potential.

The Chinese premier said that China's policy of opening to the outside world was applicable not only to developed countries, but also to developing countries, especially its neighbors.

China hoped that the two countries would explore new fields and forms for cooperation while continuing their traditional economic and technical cooperation and trade, Zhao said. "We welcome more Thai entrepreneurs to come to China for cooperative projects," he added.

The two leaders also exchanged views on international issues of common concern, with Zhao hailing Thailand's stand on the Kampuchean question as consistent and just.

They reiterated that a solution to the Kampuchean issue must be based on the total withdrawal of Vietnamese troops there as well as self-determination for the Kampuchean people.

Meets With Wu Xueqian

OW160856 Beijing XINHUA in English 0837 GMT 16 Dec 84

[Text] Beijing, December 16 (XINHUA) -- State Councillor and Foreign Minister Wu Xueqian met Thai Deputy Prime Minister Phichai Rattakun at the Diaoyutai State Guesthouse here this morning. The two sides exchanged views on furthering Sino-Thai friendship and cooperation and on international issues of common concern. Phichai said that Thailand and China are on good terms politically and expressed the hope for further development in the economic and trade relations. Wu proposed more frequent exchange of visits and contacts so as to explore wider fields for economic and trade cooperation between the two countries. The Thai deputy prime minister thanked China for her support to the election of Thailand as a non-permanent member of the U.N. Security Council. Wu said that the election reflected the rising prestige of Thailand in the world. Phichai expressed the hope that Thailand and China would cooperate well so as to play important roles in the U.N. Security Council.

Thai Ambassador to China Orachun Tanaphong was present at the meeting.

Meets Li Xiannian

OW160900 Beijing XINHUA in English 0840 GMT 16 Dec 84

[Text] Beijing, December 16 (XINHUA) -- President Li Xiannian told Thai Deputy Prime Minister Phichai Rattakun here this morning that he was satisfied with the development of the friendly relations between China and Thailand.

During his meeting with the Thai deputy prime minister, Li said since the establishment of diplomatic relations between the two countries, the friendly relations have developed soundly and great progress has also been made in economic and technical cooperation and cultural exchange.

Phichai said during his current second visit to China, he was deeply impressed with the great achievements China has scored. "I've seen China's progress and hope," he said. Thailand and China have identical economic goals, the deputy prime minister added.

The Chinese president praised Thailand for its just stand in dealing with international affairs, adding Thailand's position and influence is rising in the world. Li Xiannian asked Phichai to convey his best regards to King Phumiphon Adunyadet and the Queen.

Leaves for Guilin

OW160904 Beijing XINHUA in English 0844 GMT 16 Dec 84

[Text] Beijing, December 16 (XINHUA) -- Thai Deputy Prime Minister Phichai Rattakun and Mrs. Phichai and their party left here for Guilin by special plane this afternoon. Chinese Vice-Premier Li Peng and his wife bid farewell to the Thai guests at the state guesthouse here earlier this afternoon.

Phichai invited Li Peng and his wife to visit Thailand. Li Peng accepted the invitation with pleasure. Li Peng also presented Deputy Prime Minister and Mrs. Phichai with an album of photos recording their visit in Beijing.

The Thai guests were seen off at the airport by Liu Shuqing, vice-minister of foreign affairs.

DELEGATION HEAD GIVES RETURN BANQUET IN BANGKOK

OW170710 Beijing XINHUA in English 0655 GMT 17 Dec 84

[Text] Bangkok, December 16 (XINHUA) -- Ye Fei, vice-chairman of the Standing Committee of China's National People's Congress (NPC), said here this evening that the NPC delegation was very satisfied with its visit to Thailand which he described as a "complete success." Ye Fei, head of the NPC delegation, made these remarks at a banquet he gave in the Chinese Embassy here.

Proposing a toast at the banquet, he said that the visit has helped enhance the mutual understanding and friendship between the National People's Congress of China and the National Assembly of Thailand. He said that during its stay here, the Chinese delegation had witnessed the gratifying achievements Thailand has scored in its economic construction from which China has much to learn.

In reply, Chairman of the Thai National Assembly Ukrit Mongkhonnawin said that Thailand and China have restored their kinship and friendship since the establishment of the diplomatic relations between the two countries. The warm reception given to the delegation of the Thai National Assembly during its many visits to China showed that the Chinese people's friendly sentiments to the Thai people are deepening with each passing days.

First Deputy Senate Speaker Som Khattaphan, Chairman of the Thailand-China Friendship Association Chatchai Chunhawan and Chinese Ambassador to Thailand Shen Ping were present on the occasion. The NPC delegation, which arrived here on December 10, will leave for home tomorrow.

HONG KONG DELEGATION ENDS VISIT TO FUJIAN

OW161253 Fuzhou Fujian Provincial Service in Mandarin 1130 GMT 15 Dec 84

[Text] A study group composed of members of the Hong Kong Chinese Chamber of Commerce left Fuzhou this morning for Hong Kong after paying a 9-day visit in Fujian. The group was seen off at the airport by Chen Xizhong, vice chairman of the Fujian Provincial CPPCC Committee, chairman of the Fujian Federation of Industry and Commerce, and chairman of the Fujian (?Trade) Association; and leading members of others departments concerned.

During the study group's stay in Fuzhou, leading members of the Fujian and Fuzhou party and government organizations, people's congresses, and CPPCC committees met with the group's leader and deputy leader and had cordial conversations with them. While visiting Fuzhou's (Mawei) economic development zone, members of the study group briefed by a leading comrade about the zone's development, and they put forward many useful proposals concerning Fujian's construction and development of tourism.

Members of the study group also had business talks with a number of provincial and municipal corporation and units and reached agreements on certain projects. Mr (Wang Kuangcheng), head of the study group and president of the Hong Kong Chinese Chamber of Commerce, indicated that because of his group's visit in Fujian, the ties between Hong Kong and Fujian have been strengthened, and economic cooperation and trade relations between the two places promoted. He said that more study groups will be organized to visit Fujian in the future.

THATCHER PRAISES HONG KONG AGREEMENT BEFORE VISIT

OW160100 Beijing XINHUA in English 0038 GMT 16 Dec 84

["Anglo-Chinese Joint Declaration on Hong Kong Is 'a Historic One,' says Margaret Thatcher (by Yu Ku)" -- XINHUA headline]

[Text] London, December 16 (XINHUA) -- British Prime Minister Margaret Thatcher has said that "the agreement reached between the British and Chinese Governments on the future of Hong Kong is a historic one," which will enable the two countries to achieve their common prosperity of Hong Kong. She made the remarks in a written reply to questions by this correspondent shortly before she visits Beijing to formally sign the Sino-British joint declaration on Hong Kong. (The interview will also appear in the December 17 issue of the Chinese weekly OUTLOOK -- editor's note.)

Mrs. Thatcher said: "The concept of 'one country, two systems' put forward by Chinese leaders is an imaginative one. The very positive international welcome that the agreement has received carries recognition that it contains lessons for the world. The secretary general of the United Nations has described it as an example for other countries of the way in which difficult international problems can be successfully resolved."

"I believe that this agreement will enable Hong Kong to continue to play its role as a regional economic, commercial and financial centre. I am sure that the people of Hong Kong, resourceful and resilient as they are, will build on this agreement to make Hong Kong even more prosperous," she said.

Mrs. Thatcher said she will travel to Beijing accompanied by the foreign and Commonwealth secretary, Sir Geoffrey Howe, to sign the joint declaration on December 19. "My presence at the signature ceremony will signify the high importance attached by the British Government over the implementation of the agreement," she stressed.

Following signature, she noted, legislation will be put to the British Parliament to allow the government to ratify the agreement before June 30, 1985.

In reply to the question of how China and Britain will cooperate to ensure the prosperity and stability of Hong Kong, Mrs. Thatcher said, "both sides want to ensure that there is a smooth transition on 1 July 1997 so that the stability and prosperity of Hong Kong can be maintained." To this end, the two sides have agreed to establish a Sino-British joint liaison group, she said.

She noted that one of the most important subjects for discussion in the coming years will be the action necessary to enable Hong Kong to maintain its participation in such international arrangements as the GATT and the MFA [Multi-Fibre Arrangement]

The prime minister said, "the implementation of the agreement will be a complex and unprecedented task. It will require the closest possible cooperation between the British and Chinese Governments. We are committed to this. I am sure both sides will collaborate in the same spirit of friendship and trust that produced the agreement."

Referring to further consolidation and development of Sino-British relations, Mrs. Thatcher said that the relations between the two countries are "excellent" and that "I hope that the flow of visits at all levels between our two countries will increase, and play a part in promoting mutual understanding."

She said she is looking forward to discussing with Premier Zhao Ziyang and other Chinese leaders how to build on the trust and understanding established in the negotiations on Hong Kong to accelerate the development of new cooperation.

She said in conclusion, "Britain and China have much to learn from each other. And more frequent dialogue, and a relationship of greater substance, particularly in the economic field, can only benefit our two peoples."

COMMENTARY PREVIEWS THATCHER'S BEIJING VISIT

HK171110 Beijing ZHONGGUO XINWEN SHE in Chinese 0909 GMT 17 Dec 84

[Commentary: "In Regard to Mrs Thatcher's Beijing Visit"]

[Text] Beijing, 17 November (ZHONGGUO XINWEN SHE) -- Beijing, which is in the depths of winter, is preparing to give the British prime minister, Mrs Thatcher, a warm welcome. Public opinion here holds that the forthcoming visit of Mrs Thatcher will add a shining chapter to the history of Sino-British relations.

Mrs Thatcher is scheduled to officially sign the Sino-British joint declaration on the question of Hong Kong with Premier Zhao Ziyang at the Great Hall of the People in Beijing on 19 December. This is a gratifying historic event for both China and Britain.

Through talks with China, Britain has satisfactorily solved the question of Hong Kong by returning Hong Kong to China. Meanwhile, the interests of the British in Hong Kong have also been given practical and reliable assurances. This is an unprecedented achievement which Britain has attained in solving the question of its colonies and overseas dependencies. The British Government and public have enthusiastically hailed the draft Sino-British agreement on the question of Hong Kong since it was made public, praising it as "the best agreement the capitalist world and the communist world have reached since the October Revolution of 1917." Both the upper and lower houses of Parliament have approved this agreement. Mrs Thatcher has contributed to the satisfactory solution of the Hong Kong question with her foresight, sagacity, and sensible decisions.

The formal signing of the joint declaration on the question of Hong Kong by China and Britain proclaims that China will regain sovereignty over Hong Kong, thus wiping out the national disgrace which the Chinese people have been subjected to as a result of the unequal treaties in the past 100 years and more, and marking the first step in achieving the great cause of reunifying the country. This is a glorious achievement for China's diplomacy and is the first great achievement of Deng Xiaoping's concept of "one country, two systems."

On the eve of the Sino-British negotiations on the Hong Kong questions, Deng Xiaoping creatively suggested the concept of "one country, two systems" in order to solve the issue of reunification of the motherland. It was in connection with the guiding ideology of "one country, two systems" that the Chinese Government worked out a series of principles and policies for solving the Hong Kong question, thereby reaching an agreement with the British Government on the Hong Kong question. Deng Xiaoping's concept of "one country, two systems" thus laid the foundation for satisfactorily settling the Hong Kong question.

In this forthcoming visit to China, Mrs Thatcher will also meet the Chinese leaders in regard to further developing bilateral relations. The formal signing of the Sino-British joint declaration marks a new chapter in friendly political cooperation between the two countries. In the wake of satisfactorily settling the Hong Kong question, a historical knot in the relations between the two countries has been removed, which has created favorable conditions for the development of the Sino-British relationship in a comprehensive way. In particular, Sino-British economic and technological cooperation has bright prospects. In July of this year, Premier Zhao Ziyang said in Beijing when meeting British Foreign Secretary Geoffrey Howe that following the solution of problems concerning China and Britain left over from history, the relationship between the two countries would reach new heights. On the eve of this visit to China, Mrs Thatcher also said that she would promote new cooperation between China and Britain. It is expected that this Beijing visit by Mrs Thatcher will make Sino-British relations enter a new stage of comprehensive development.

PRC DIPLOMAT PRAISES SINO-BRITISH RELATIONS

OW151524 Beijing XINHUA in English 1448 GMT 15 Dec 84

[Text] Beijing, December 15 (XINHUA) -- Relations between China and Britain would enter a new period of development after the official signing of the Sino-British joint declaration on the future of Hong Kong, Ke Hua, former Chinese ambassador to Britain, said here today.

The declaration will be signed by Premier Zhao Ziyang and British Prime Minister Margaret Thatcher during her visit to China from December 18 to 20.

The Chinese diplomat told XINHUA that although relations between the two countries were good, the Chinese people had always felt a sense of loss because of the question of Hong Kong. "The official signing of the declaration will mark the satisfactory settlement of the question, thus removing a major obstacle to Sino-British relations," he noted.

Ke also praised Mrs. Thatcher as an outstanding stateswoman with vision. "She sized up the situation, fully understood and positively appraised the 'one country, two systems' concept put forward by Chinese leaders and China's policy on the Hong Kong question. She then made a sensible policy decision at the critical juncture of negotiations, thus pushing the Sino-British talks to have a breakthrough."

Recalling his contacts with Mrs. Thatcher during his term as Chinese ambassador to Britain from 1978 to 1983, Ke Hua said he had the impression that they shared common views on many major international issues, including that of safeguarding world peace. "Prime Minister Thatcher has been following a policy of friendly cooperation with China, and is realistic on the Hong Kong question," he added.

Reviewing Sino-British relations, Ke said trade volume between the two countries came to more than 1.4 billion U.S. dollars in 1983, 14 times higher than in 1950.

British friendship organizations and individuals had also made great contributions to the promotion of economic, trade and cultural exchanges and people-to-people contacts, thus deepening the mutual understanding and friendship between the Chinese and British peoples.

Exchanges of visits by senior Chinese and British leaders would increase, and economic, cultural and technological cooperation would be further enhanced after the signing of the declaration, he added.

PRAISE FOR SINO-BRITISH JOINT DECLARATION

LIAOWANG Article

OW160922 Beijing XINHUA in English 0812 GMT 16 Dec 84

[Text] Beijing, December 16 (XINHUA) -- The latest issue of OUTLOOK WEEKLY acclaims the Sino-British declaration scheduled to be officially signed Wednesday as a "historic event well worth celebrating".

The official signing of the declaration, the magazine says, is a good example of peaceful settlement of international disputes and it will create favorable conditions for furthering the relations of friendship and cooperation between China and the U.K.

Entitled "An Example for Settling Issues Left Over From History", the article in the weekly magazine due out tomorrow says that the "one country, two systems" concept put forward by Deng Xiaoping in light of the actual conditions in Hong Kong will provide the guarantee for China to resume exercising the sovereign rights over Hong Kong and at the same time maintain the prosperity and stability there. This will benefit both the British and Chinese people, it says.

The article praises Margaret Thatcher for her foresightedness and statesmanship as contributions to the Sino-British relationship.

The stable market, rising stock prices, growing foreign investment and recovery of real estate business in Hong Kong over the past two months since the declaration was initialled are good examples of the popular confidence in the future of Hong Kong, the article says.

The article expresses the confidence in the full implementation of the declaration as long as both sides strictly observe the joint declaration, keep to their commitments and carry out fruitful cooperation in all fields to make certain that the sovereign rights will be smoothly taken over in 1997.

The article reviews the relations of the two countries since they established diplomatic relations and predicts that friendly relations will be further developed in the next 13 years or thereafter.

UK MP: Intelligent Diplomacy

OW170304 Beijing XINHUA in English 0241 GMT 17 Dec 84

[Text] Beijing, December 17 (XINHUA) -- Chairman of the British-Chinese Parliamentary Group Robert Adley praised the Sino-British joint declaration on Hong Kong as "a marvelous example of what two intelligent mature nations can offer the world in civilised diplomacy."

The conservative MP made the remarks in a recent interview with special correspondents of the Chinese weekly OUTLOOK. The interview is published in the December 17 issue of the news magazine.

Adley, who had worked in Thailand, Malaysia and Singapore for many years, is familiar with the history and reality of Hong Kong. Since the Sino-British negotiations on the question of Hong Kong began in 1982, Adley has shuttled between London and Hong Kong to keep abreast of the current situation in Hong Kong.

Talking about the foundation on which the Sino-British agreement was reached, Adley said the question of Hong Kong is "an uneasy child of history." As the British Government has no desire any longer to have any colonies and the Chinese Government hopes to regain the sovereignty over a piece of China, there was no basic disagreement in this regard, he said.

"We started it off to bring Britain and China with a basic willingness to agree that Hong Kong was Chinese. It's a Chinese city, and part of totally China. From the very beginning that was always clear," he said. He noted that Chinese policy of "one nation, two systems" is an extraordinary policy, which is "a tremendous credit to the maturity, the imagination and the stability of the Chinese Government." "I think once we had accepted the sovereignty position and once you had accepted the 'one nation, two systems' point of view, it was merely a matter then of negotiation details," he said.

He went on to say, "One thing is very important that I think everybody is happy with this agreement. There was no victory for one party and defeat for the other. It's a victory for everybody."

Referring to the impact of the joint declaration on Hong Kong on Sino-British relations, Adley said that as a friend of China, "I greatly admire your country, ...and I am strongly in favour of further developments of the closest possible relations between Britain and China." On many international issues, he noted, the British and Chinese Governments have come to the same conclusion and the two countries have together a lot to offer the world.

In response to a question of how the stability and prosperity in Hong Kong will be maintained, Adley said, "just do as the agreement says."

On the international significance of the declaration, Adley said, "the significance is that the diplomacy is not dead. Very often shouting and screaming in public pronouncements are the worst way to reach agreements, and peace, quiet, secrecy is the best way to reach agreements. That's the significance."

China's policy toward Hong Kong, he said, has offered "a very significant message to the people of the world. The Chinese Government does care about people. That is an important point." He also expressed the hope that "the people of Taiwan, particularly the young people, will understand the significance of what is being done in Hong Kong."

He said Taiwan is one of those "potential dangerous spots" in the world. "The Americans by constantly interfering in what is internal Chinese matter raised the temperature. It's like a boil on the face. In the world, the Middle East is a boil, Afghanistan is a boil and Taiwan is potentially a boil as well. And what we should be doing is to look for the way to remove the poison of a boil," he said.

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He said, "Hong Kong may have been potentially a boil, but it's not a boil. It has been seeming to be quite a reverse."

"The Americans should learn and people in Taiwan should learn. The world is changing," he said. "We can contemplate changes as well, peacefully by agreement, in the interests of maintaining stability around the world."

SPANISH SOCIALIST LEADER MEETS QIAN LIREN

OW141335 Beijing: XINHUA in English 1303 GMT 14 Dec 84

[Text] Madrid, December 13 (XINHUA) -- Felipe Gonzalez Marques, general secretary of the Spanish Socialist Worker's Party, today met Qian Liren, delegate of the Communist Party of China and head of the International Liaison Department of the CPC Central Committee.

General Secretary Gonzalez had a cordial and friendly talk with Qian Liren. He said: "Not long ago, I met president Li Xiannian in Madrid and promised to visit China next year. I am very glad to have an opportunity to know the great country of China." Qian Liren said: "We are earnestly expecting your visit."

At the invitation of the Spanish Socialist Worker's Party, Qian Liren arrived in Madrid yesterday to attend the 30th congress of the Spanish party. He was greeted by officials of the host party at the airport. Chinese Ambassador to Spain Cao Yuanxin was also present on the occasion.

FURTHER ON VISIT BY SUDANESE PRESIDENT NUMAYRI

Press Conference

OW141916 Beijing XINHUA in English 1644 GMT 14 Dec 84

[Text] Beijing, December 14 (XINHUA) -- Sudanese President Ja'far Muhammad Numayri said here today that his talks with Chinese leaders had yielded good results. Speaking at a press conference here this afternoon, Numayri said Sino-Sudanese relations were based on mutual understanding and respect.

The two countries had the common goal of justice and cooperation based on equality. This cooperation did not provide conditions for hegemonism, domination and power politics, he said. The present world economic system was not only unjust to the developing countries but also a danger to the developed countries, he added.

Prices of goods produced in the developed industrial countries were rising continually, while the prices of raw materials produced by the developing countries were falling, he said. The poorer countries were thus unable to pay their debts, while the rich countries lost the market for their products.

On his country's refugee problem, Numayri said more than one million people had fled into the Sudan because of war, while 120,000 more came because of natural disasters. He called on international organizations and friendly countries to extend humanitarian aid to them. Numayri also mentioned the reforms now going on in the Sudan where decentralization was being tried out. The central government was helping various localities increase grain production, he said. The Sudan was now self-sufficient in grain supplies, he added.

President Numayri attended religious services at a local mosque earlier this afternoon.

Trade Protocol

OW150750 Beijing XINHUA in English 0724 GMT 15 Dec 84

[Text] Beijing, December 15 (XINHUA) -- A trade protocol, a loan agreement and exchanges of notes were signed between China and the Sudan here today.

The signatories to the documents were Chen Muhua, Chinese state councillor and minister of foreign economic relations and trade, and Ibrahim Mun'im Mansur, Sudanese minister of finance and economic planning. Chinese President Li Xiannian and Sudanese President Ja'far Muhammad Numayri attended the signing ceremony.

The documents provided that China will import 50 million U.S. dollars-worth of goods from the Sudan from July 1984 to June 1985 and that the Sudan will import from China goods of the same value. China will also extend an interest-free loan to the Sudan from 1986 to 1990 and grant the country 2,000 tons of maize.

The documents say that China will also carry out feasibility studies on expansion of a textile mill, rice growing and utilization of medicinal herbs in the Sudan. The two countries will exchange ideas on combating wind and sand erosion.

15 Dec Departure

OW150334 Beijing XINHUA in English 0312 GMT 15 Dec 84

[Text] Beijing, December 15 (XINHUA) -- Sudanese President Ja'far Muhammad Numayri, Madame Numayri and their party left here for home by special plane this morning at the end of their five-day state visit to China. Chinese President Li Xiannian and his wife, Lin Jiamei, bid farewell to President and Madame Numayri at the state guesthouse here earlier this morning.

Numayri described his China visit as "historic" and his talks with Chinese leaders as "constructive".

Li said he was convinced that the friendly relations between China and the Sudan would continue to grow.

Numayri wished the Chinese people success in their "new Long March."

President Numayri was seen off at the airport by Rui Xingwen, chairman of the Chinese Government Reception Committee (also minister of urban and rural construction and environmental protection) and his wife; and Zhou Jue, assistant foreign minister.

Joint Press Communique

OW150944 Beijing XINHUA in English 0859 GMT 15 Dec 84

[Text] Beijing, December 15 (XINHUA) -- The People's Republic of China and the Democratic Republic of the Sudan today issued a "joint press communique" on the visit of President Numayri to China. Its full text follows:

Joint Press Communique
15 December 1984

1. His Excellency Ja'far Muhammad Numayri, president of the Democratic Republic of the Sudan paid a visit to the People's Republic of China from 10 December to 15 December at the invitation of President Li Xiannian of the People's Republic of China. During the visit, President Numayri held talks with President Li Xiannian and met with Chairman Deng Xiaoping and Premier Zhao Ziyang. Other leading officials concerned also held talks with their counterparts. All these talks and meetings proceeded in a sincere and friendly atmosphere. His Excellency the President and Mrs Numayri and their party visited some [words indistinct] Beijing. During their visit to China, they were accorded a warm welcome and ceremonious reception by the Chinese Government and people, which fully embodied the profound friendship existing between the two countries.

2. The two sides noted with [words indistinct] that the leaders of China and the Sudan hold identical or similar views on the current international situation and many major international issues and that they appreciate and highly approve each other's independent and peaceful foreign policy and unremitting efforts to develop the national economy and civilization, build up the country and improve the people's well-being.

The Chinese Government and people highly appreciate the efforts made by the Sudanese Government and people under the leadership of President Numayri for safeguarding national independence, sovereignty and territorial integrity and overcoming the grave difficulties caused by natural calamities.

3. The two sides agree there are broad prospects for the friendly relations and cooperation between the two countries, which are based on the Five Principles of Peaceful Coexistence and on mutual support and common progress. They both expressed the readiness to further develop their multi-form cooperation in the political, economic, cultural and other fields. Through discussion, the two countries signed a number of agreements including one on economic and technical cooperation and one on [word indistinct].

During his visit to China, His Excellency President Numayri once again invited President Li Xiannian to visit the Sudan. President Li Xiannian accepted the invitation with pleasure. The date of the visit will be worked out through diplomatic channels.

President Numayri expressed his profound thanks for the warm welcome and kind hospitality accorded to him and his party in China.

TIAN JIYUN CONCLUDES WEST AFRICAN TOUR

OW141910 Beijing XINHUA in English 1642 GMT 14 Dec 84

[Text] Monrovia, Ddcember 14 (XINHUA) -- Chinese Vice-Premier Tian Jiyun left here for home today after his visit to six west African nations.

During his four-day stay here, Vice-Premier Tian met with Liberian Head of State Samuel Doe, and exchanged views with him on bilateral relations and international issues of common interest. He also inspected the construction site of the Chinese-aided stadium and watched the performance given by the national cultural troupe of Liberia.

Among those seeing him off at the airport was Harry Moniba, vice-president of the Interim National Assembly (INA).

XINHUA Interviews Tian

OW151351 Beijing XINHUA in English 1300 GMT 15 Dec 84

[Text] Monrovia, December 14 (XINHUA) -- Chinese Vice-Premier Tian Jiyun said that "it is our established policy to further increase economic and technological cooperation with the African countries" and "the prospects for such cooperation are bright."

He also said that his recent visit to the six-African nations "has increased friendship, understanding, unity and cooperation between China and the African states and between the Chinese and African peoples."

Tian Jiyun made these remarks in an interview here with XINHUA at the end of his official visit to Sierra Leone, Nigeria, Benin, Togo, Mali and Liberia from November 25 to December 13.

During his African tour, on behalf of Premier Zhao Ziyang, he attended the inaugural ceremony of Zairian President Mobutu Sese Seko and participated in the signing ceremony of the third Lome Convention at the invitation of Togolese President Gnassingbe Eyadema.

Tian said that Sino-African friendship has a solid foundation. "This is because a similar historical destiny has brought the Chinese and African peoples together and the more important reason is we are still developing countries belonging to the Third World," he pointed out. "The friendship between the Chinese and African peoples is sincere, deep and pure. We treasure it very much and work for the development of this friendship," he added.

On certain difficulties African countries have encountered in developing their economy, he said that these difficulties were temporary ones in their way of advance. "One of the main causes of these difficulties," he noted, "is the irrational international economic order which has made many African countries unable to free themselves from exploitation." "We are glad to see that the African countries, while endeavouring to explore the road to development suited for their own domestic conditions, have carried on positive regional cooperation and enhanced collective efforts in self-reliance so as to strengthen their positions in the South-North dialogue," he said. He praised the third Lome Convention signed by 75 states which, he believed will play a positive role in promoting the South-North dialogue at a time when the global dialogue is in deadlock.

He said, "it is our established policy to further increase economic and technological cooperation with the African countries. Over the past two decades, we have abided by the eight-point principles set forth by late Premier Zhou Enlai during his visit to Africa in 1964. Such cooperation has yielded good results."

He added, "during his African tour at the end of 1982, Premier Zhao Ziyang put forward four principles of increased cooperation with Africa, namely 'equality and mutual benefit, stress on practical results, diversity in form and achievements in common development'. They have widened the areas of cooperation and diversified the forms of cooperation," he said.

During his visit, Tian has signed new agreements on economic and technological cooperation with the governments of Sierra Leone, Benin and Liberia respectively. China will provide them with interest free loans to be used mainly for the projects under construction, for the consolidation of those projects now in operation and for building some small and medium-sized new projects in the agricultural, industrial, cultural and health fields.

He concluded by stressing the need to increase and expand economic cooperation with the African countries in order to make due contributions to the south-south cooperation.

HU YAOBANG INSPECTS SOUTH, EAST HUBEI PROVINCE

HK171000 Wuhan Hubei Provincial Service in Mandarin 1130 GMT 16 Dec 84

[Text] During his recent inspection of the southern and eastern parts of Hubei Province, Hu Yaobang, general secretary of the CPC Central Committee, urged cadres at all levels to further emancipate their minds and to enliven the domestic economy and carry out the policy of opening to the outside world more boldly in order to realize the third gallop [teng fei] of the Chinese nation and make both the country and the people become rich as soon as possible. This was Hu Yaobang's second visit to our province after his inspection of the west Hubei mountainous areas last April, which demonstrated the loving care of the CPC Central Committee for the more than 48 million people of our province.

From 4 to 6 and 13 to 14 December, accompanied by Guan Guangfu and Qian Yunlu, secretary and deputy secretary of the Hubei Provincial CPC Committee, Comrade Hu Yaobang made a trip of more than 770 km in south and east Hubei, despite the piercing wind and continuous winter rain. He started from Xianning's Wenquan by light bus and successively visited Tongshan, Chongyang, Tongcheng, Huangmei, Guangji, Qichun, and Xishui, and then crossed Chang Jiang, arrived in Huangshi, and left Wuhan.

On 4 December, when passing through Wuhan, Comrade Hu Yaobang also met with Zhou Shizhong, Yan Zheng, Wang Quanguo, Huang Zhizhen, Shen Yinluo, Wang Qun, and Han Ningfu at the railway station. Throughout the journey he widely contacted and cordially chatted with cadres at various levels, intellectuals, and representatives of the specialized households, asking them about their ages, native places, education, and the present conditions of their work and daily life. He also made on-the-spot investigations of some agricultural science research institutes and forestry farms. He climbed up (Jiubian Shan), which is more than 1,400 meters above sea level, and met with local cadres and PLA commanders and fighters stationed there, listening to their reports and opinions. Seeing that the central leader had come to the grassroots to undertake investigation and study, the broad masses of people were greatly inspired. Many of them rushed to greet the general secretary. Comrade Hu Yaobang also waved again and again at the crowds. Everywhere he went there was an atmosphere of jubilation.

During his inspection in the countryside, Comrade Hu Yaobang was glad to see that after the victorious reforms and the bumper harvest, the rural political situation was very good. There the people were united, business is thriving, reform is being carried out in depth, and the economy is flourishing. Over the past year, this province has set a new record in the output of grain, cotton, and other main agricultural products, as well as in the income of the diversified economy and the total output value of the town and township industry. The situation is getting better and better, the policies are becoming more and more perfect, and the people are having more and more confidence in the future.

On the evening of 4 December, when meeting with the responsible cadres of the prefectural-level organs at Xianning, Comrade Hu Yaobang said: At present, we must mainly grasp the following two jobs. First, party rectification, and second, reform. This is also called the third gallop. Since the beginning of the 20th century, our country has already made two gallops. The first was the 1911 revolution, which overthrew the Qing court. The second was the new democratic revolution, which overthrew the three great mountains and established the socialist New China. The current reform, which is aimed at quadrupling the total annual industrial and agricultural output by the end of this century, is called the third gallop. In order to realize this gallop, it is necessary to be more courageous to enliven the domestic economy, and to carry out the policy of opening to the outside world. Judging from the present situation, we are confident that this goal can be attained.

The future is bright. Provided that we do not make mistakes in the future, unite to fight, use our brains, conscientiously study science and technology, and pay attention to stopping two unhealthy tendencies represented by indiscriminately raising prices and a small number of cadres reselling goods at a profit, we will surely attain our goal of becoming better off by the end of this century. If further efforts are made, when celebrating the centenary of the CPC, our country, our people, and our nation will surely have a brighter prospect.

During his inspection, Comrade Hu Yaobang repeatedly emphasized that it is necessary to readjust the rural economic structure. The development of town and township enterprises and the processing of agricultural and sideline products must mainly rely on the household industry, and industry based on the combination of peasant households. It is necessary to support the specialized households and villages and to encourage the peasants to engage in service trades and the tertiary industry in towns, and develop small market towns. It is necessary to place our hopes on the initiative of the masses. In order to develop town and township enterprises and household industry, it is necessary to improve both technology and management. It is necessary to establish various forms of contract responsibility system and link them with wages and bonuses in order to increase economic returns. When economic returns are increased and the quality of products is improved, the enterprise can be further developed.

When hearing a report by the Chongyang County CPC Committee that the town and township enterprises and household factories of this county's (Baini) Town can produce 100,000 palm fiber beds this year, Comrade Hu Yaobang said: Since they have good sales, production can be expanded. He also suggested that the technology of producing palm fiber beds should be improved. He said the frames of these beds were too big and heavy to be transported, but if they can be changed into movable and folding beds, they can be transported to distant areas. Many foreign products, including airplanes, bicycles, sofas, and megaphones, have been constantly improved. Therefore, we must not let our things remain unchanged. It often happens that when the design for a certain product is adopted, it will be kept unchanged for dozens of years. This is not good.

Comrade Hu Yaobang also said: Both the southern and eastern parts of Hubei are rich in underground mineral resources. There are sands in the rivers and rich resources in the mountains, including coal, iron, copper, wolfram, stibium, and gold. We must give the masses a free hand in the exploitation of these resources and must mobilize the initiative of the state, the collective, and the individual in this field. Of course, we must remind them to pay attention to safety in production. Since the contract responsibility system on a household basis was adopted surplus labor forces and time have resulted in the countryside. In addition, during the winter, the peasants have less farm work to do. We must help them open all avenues for production and find them some other jobs. The state must also vigorously support them in various fields.

Comrade Hu Yaobang spoke highly of the plan of Guangji County and Jiangxi's Ruichang County on collecting funds to build vehicle ferries on their respective piers, saying that this is a good method of exploiting the Chang Jiang. He also said: The Chang Jiang runs from west to east, which is a kind of vertical interflow. By building steam and vehicle ferries on both banks, there will be horizontal interflow between north and south. Thus, the economy can be enlivened. He suggested that the relevant provinces and department take into overall consideration the building of ferries and piers along the lower reaches of Chang Jiang from Yichang to Shanghai in light of the development of commodity production and the needs of the people in their daily life. Guangji's method is a good one, with which less money is expended and quick results are about to be achieved.

The state can also provide them with necessary help. This kind of investment can reap higher economic returns. The masses can do better than us in some matters that we find difficult to do. As long as we do not practice fraud, do not stir up the communist wind, and do not force the people, there will be no mistakes.

Comrade Hu Yaobang very much appreciated the experiences of Tongcheng County in developing pigs. In this county of 370,000 people, some 300,000 pigs have been raised this year and 190,000 of them have been sent to market, an average of 3 per household, the highest in the province. To encourage the county residents, Comrade Hu Yaobang said: It is certainly a great achievement for you to produce 300,000 pigs a year. But this is not enough. Can you manage to increase the number to 1 million in a few years? This is the superiority of your county. Tongcheng has a tradition of pig raising and its residents have rich experiences in this production. In addition, they have fine breeds of pigs and abundant feed and have done well in preventing epidemics. They can slaughter pigs and process pork in their own localities and market it into canned food, hams, sausages, and dried meat floss. There are also some byproducts such as bristles, pigskin, internal organs, and materials for producing medicines and chemical reagents. The pig's body is full of treasures. Thus, the value of grain can be increased there and the pig-processing industry can be developed. But the city and the countryside can benefit from this. There are bright prospects in this field. The county CPC Committee must work out a plan, taking pig raising as the key link, to carry out experiments in some villages, and then popularize their experiences in townships and districts in a practical manner rather than raising a hue and cry, in order to make Tongcheng a county specializing in pig raising in a few years.

In Chongyang County, Comrade Hu Yaobang went to the county forest science research institute and the (Guihua) forest farm to conduct an investigation and to study. He inquired about how young plants were growing in the plastic sheet greenhouses. These greenhouses are equipped with semi-automatic irrigation, drip irrigation, and infrared radiation breeding devices. The breeding time is short and the survival rate is high, and its per-unit area yield is 15 times that of field production. Comrade Hu Yaobang also praised the (Guihua) forest farm for its good management. He said that this is a good place. It would be nice if there were 10,000 forest farms like this in the whole country. Referring to the structural reform of forestry, Comrade Hu Yaobang affirmed Hubei's experience in this regard. He said: To merge the privately owned hills and the hills to be developed under personal responsibility into hills to be managed on a household basis is a good method, conducive to mobilizing the peasants' initiative in developing hills and forestry and to enlivening and developing forestry production. He also held that some localities have felled too many trees, which can easily result in water loss and soil erosion. This must be corrected. It is necessary to protect vegetation and develop mixed forests. It is necessary to grow trees in a scientific way.

Comrade Hu Yaobang also required that Hebei Province do a good job in recovering lakes which had been filled for land reclamation and develop aquatic and fry production.

Comrade Hu Yaobang also showed great concern for tourism development in Hubei Province. He said: Wuhan is very hot in the summer. It is possible to make the cadres and workers work longer hours during other seasons and let them enjoy 2 or 3 weeks' leave during the hot season and spent their holidays in Jiugongshan, Wudangshan, Jigongshan, and Tiantaishan? This is beneficial to both their health and the exchange between towns and country.

The provincial authorities must work out appropriate measures and put them into practice step by step. He said that in developing tourism, the initiative of the state, the collective, and the individual must also be mobilized.

Also accompanying Comrade Hu Yaobang on his inspection were responsible persons of the State Planning Commission, the Ministry of Commerce, the China rural development research center, the state administration of commodity prices, and XINHUA NEWS AGENCY.

LOSSES CAUSED BY DISMISSING CAPABLE CADRE

HK160602 Beijing RENMIN RIBAO in Chinese 12 Dec 84 p 1

[Report: "Shenyang Electric Fan Factory Suffers Losses After Dismissing Its Capable Deputy Factory Director"]

[Text] According to a report by LIAONING RIBAO, on 14 September the factory manager of Shenyang electric fan factory hastily announced at a meeting of mid-level cadres the removal of 42-year-old Liu Wanzhang, a deputy factory manager and chief engineer of the factory, under the pretext of "taking special care of his health." Over the past 2 months or so, Liu Wanzhang was not allowed to attend various meetings which discussed issues such as production plans, product quality, technology, and so on.

Deputy factory director Liu Wanzhang graduated from Qinghua University in 1966. After graduation, he was engaged in teaching at the university. In 1982, he was assigned to work in this factory as deputy factory manager responsible for technical work. Over the past few years, under his supervision this factory has succeeded in designing and manufacturing new products with six specifications and varieties. On several occasions, he organized workers to tackle difficult problems in product quality. A type of electric fan was commended by the Light Industry Ministry 2 years running for good quality. Another type was awarded a "feilong" prize by the State Economic Commission. During the period when he was in charge of the production, due to his proper management methods, the factory's product quality attained a record high level in the history of the factory.

The educational level of the factory's director is not high. Last August, the company leadership criticized him for his failure to promote democratic work style, ignorance of professional work, and blind direction. He mistakenly thought deputy factory manager Liu Wanzhang had looked down upon him, and intended to scramble for power. Therefore, at a cadre meeting he said: "Some people refuse to obey me. I will dismiss them from their posts, whoever they are. I don't care whether they are ordinary cadres, middle-level cadres, or deputy factory managers!"

In early August, the factory manager proposed a production plan for producing 30,000 console electric fans in the remaining 4 months of this year, and asked Liu Wanzhang to take charge of the implementation of the plan. Liu Wanzhang argued that the plan lacked scientific grounds, and that with the present production capability and technical level, the factory was incapable of producing 30,000 console fans. The factory manager unreasonably told Liu Wanzhang: "If you do not accept my plan, you must resign." On 10 September, Liu Wanzhang was compelled to hand in his resignation.

Now the production and management of this factory have been thrown into confusion because of the dismissal of this capable person. Within a period of 2 and 1/2 months, the factory only produced 4,000 console electric fans. The plan for producing 30,000 console electric fans has come to nothing.

Commentator's Article

HK160606 Beijing RENMIN RIBAO in Chinese 12 Dec 84 p 1

[Commentator's article: "On the Fear That Cadres Are Not Used According to Their Ability"]

[Text] Using a capable person can save an enterprise. Such instances are frequently reported. What will an enterprise become after excluding a capable person? We will get a clear answer after reviewing the situation in the Shenyang electric fan factory, whose factory manager dismissed the deputy manager of the factory.

This factory benefitted from using a capable person, but it suffered losses because of excluding him. Why? The crux of the matter lay in the factory manager. "When there is no capable person in an enterprise, it looks for him. When a capable person is employed, leaders of the enterprise fear him. When the capable person is proved to be preeminent above these leaders, they try every means to push him down." This is the state of mind of a small number of leaders in some enterprises. They intend to run the enterprises well, but they are selfish and narrow-minded. What they often think of is "my plan," "my..." They always take "I" as the center of all. They turn a deaf ear to divergent views, and do not allow others to be more capable than themselves. What they do is somewhat like a "shop owner Wu" [an extremely stubborn person]. This should not be the character and manner of a socialist enterpriser.

After the reform of economic structure, the responsibility system for the factory manager is implemented. The factory manager has greater power. He can exercise his power in accordance with the relevant stipulations to employ and dismiss working personnel of the enterprise. This is a good thing. With the deepening of the reform of the urban economic structure and the further invigoration of enterprises, competition among enterprises will become more intense. The competition among enterprises is, actually, a competition among talented personnel. Those far-sighted entrepreneurs who have unusual courage are trying in every possible way to solve the problem of the lack of talented personnel. It is unnecessary to worry about the problem of lacking talented personnel, because it can be solved through recruiting, employing, discovering and training them. But the thing we fear most is that some leading cadres lack the capability of using talented personnel according to their ability, and that they are not magnanimous enough to encourage other people to do better than themselves. If the manager of an enterprise is not good at directing production and running business, but is skillful enough at scrambling for fame and gain, and expelling and making things difficult for able persons so that they cannot put their ability to good use, he is liable to make a mess of the enterprise.

It is obvious that one cannot become an entrepreneur bold in carrying out reform and good at opening a path for development without thoroughly discarding the work style of the scholar Wang Lun [a good-for-nothing official in the Song Dynasty who liked to show off his merits].

SICHUAN CPC COMMITTEE PROMOTES YOUNGER CADRES

OW160102 Beijing XINHUA Domestic Service in Chinese 0840 GMT 15 Dec 84

[By Wang Wenjun, XINHUA correspondent in Sichuan. Capitalized passages transmitted in boldface. Beijing XINHUA Domestic Service in Chinese at 0817 GMT on 15 December carries a "Public Notice" stating that all newspapers should give "front-page prominence" to the following item]

[Text] Beijing, 15 Dec (XINHUA) -- Comment by the Central Commission for Guiding Party Rectification: Reorganization of leading bodies and strengthening the building of the third echelon is an important task in the current party rectification.

How successfully this task is carried out will constitute a major indicator of a unit's success or failure in carrying out party rectification.

The primary task of the party in the present stage is to develop productive forces to raise our society to the comparatively well-off level by the end of the century. The 3d Plenary Session of the 12th CPC Central Committee decided to carry out reform of the economic structure with the focus on cities. In the ninth section of the "Decision of the CPC Central Committee on Reform of the Economic Structure," it is stressed that knowledge and competent people should command respect. Therefore, it is necessary to first do a good job in reorganizing the leading bodies from the province and city to the enterprise level. The five-point experience gained by the Organization Department of the Sichuan Provincial CPC Committee in reorganizing the departmental and sectional leading bodies is good and may be used by other localities as reference. To promote revolutionized, educated, professionally more competent, and younger cadres to become leading body members, it is imperative to get rid of the old concepts and conventions and guard against promotion only on the basis of seniority, against being swayed by emotion, against considering anyone's feelings, and against deliberately seeking a balance. It is fine if one has a diploma. But it is just as fine if one does not possess a diploma but has become competent through self-taught efforts, is capable in doing the actual work, and can create a new situation. The principles of the CPC Central Committee are now very clear-cut. We must pay attention to implementing them. [end comment]

In the rectification and correction phase of party rectification, the Sichuan Provincial CPC Committee Organization Department has firmly adhered to the criteria for cadres -- that they be revolutionized, better educated, professionally more competent, and younger -- in reorganizing its departmental and sectional leading bodies. It has therefore set an example and provided some experience for cadre departments at all levels.

This correspondent has learned from the Organization Department of the Sichuan Provincial CPC Committee that there have emerged in the department and its sections the following new phenomena. THE FIRST IS A DROP IN AVERAGE AGE. The average age of the former manager and deputy manager of the department was 57.7. It has now dropped to 47.5. The two newly promoted deputy managers are aged 40 and 38 respectively. The average age of the former section chiefs and deputy chiefs was 48.2. It has now dropped to 44.4. The youngest among them is only 29 years old. THE SECOND IS A RISE IN EDUCATIONAL LEVEL. Among the former manager and two deputy managers, only one had a university-level education. Now it has one director and three deputy directors. Among them, three have a college-level education or its equivalent. Among the former section chiefs and deputy chiefs, only 36.2 percent had a university-level education. That percentage has now risen to 67.8. THE THIRD IS A WIDER RANGE OF KNOWLEDGE. Previously there were very few cadres who understood science and technology and had economic management knowhow. Now, of this department's 122 cadres, 53 have acquired a university-level education. Of the section chiefs who have a university-level education, 21 percent majored in science and engineering; 7 percent in economic management; and 40 percent in literature, history, philosophy, and politics and law. THE FOURTH IS A RELATIVELY LONGER PERIOD OF STABILITY FOR THE LEADING BODIES. In the past, these leading bodies were transitional in nature despite reorganizations, because their average age was too old and their educational level too low. The departmental and sectional leading bodies which have now been reorganized are expected to remain stable for 5 to 8 years. THE FIFTH IS THERE ARE RESERVE CADRES. Should any of the departmental and sectional leading cadres get promoted or transferred, there will always be qualified people to fill the vacancy.

The Sichuan Provincial CPC Committee Organization Department has the following five-point experience in reorganizing the leading bodies at the departmental and sectional levels:

IT REGARDED THE REORGANIZATION OF THE LEADING BODIES AT THE DEPARTMENTAL AND SECTIONAL LEVELS AND THE BUILDING OF THE THIRD ECHELON AS AN IMPORTANT CRITERION IN EVALUATING THE SUCCESS OF PARTY RECTIFICATION. It asked organization departments at all levels to carry out leading body reorganization in the course of party rectification, regard the work as an important substance of rectification and correction, and accomplish the task with high standards.

IT UPHELD THE MASS LINE AND SET HIGH CRITERIA AND STRICT DEMANDS FOR SELECTING AND EMPLOYING COMPETENT PEOPLE. In selecting personnel for leading bodies, it did several things. It ascertained the person's performance during the "Great Cultural Revolution." It selected them mainly from among cadres with a college education and aged between 30 and the early 40's. The candidates must be persons who firmly support and implement the cadres line established since the 3d Plenary Session of the 11th CPC Central Committee. It fully fostered democracy and, employing the methods of opinion polls and deliberations both at the higher and lower levels, carefully considered and discussed the list of candidates. At the same time, the department leadership listened attentively to different views and made evaluations and comparisons.

IT BROKE WITH OUTDATED IDEAS AND CONVENTIONS. It did not promote persons according to their seniority but considered every person without prejudice. It depended not only on diploma but also on actual ability. Twenty-nine-year-old Fang Zhi was promoted to deputy section chief because he had good basic qualities and certain organizational and leadership ability. Cadres transferred from other units were treated equally in promotion. Three persons with less than a year of work in the Organization Department were promoted to section chief or deputy chief. Some cadres without college degrees were also promoted because their actual work ability and knowledge levels were equal to those of college graduates. Take Guo Shirui, for example. A veteran clerical worker with only a middle-school education, Guo Shirui engaged in cadre work for many years and possessed a certain work ability and grasp of policy most of the reports and summing-ups of his section were drafted by him. He also promoted to deputy section chief during the reorganization.

IT INSTITUTED THE TRANSFER OF CADRES. It has transferred 15 cadres to other units and accepted 19 cadres with college educations from outside the department since the beginning of this year. This has changed the cadres' education and age structure in the department. At the same time, it created good conditions for reorganizing the leading bodies and building the third echelon.

IT CONDUCTED METICULOUS IDEOLOGICAL WORK AND APPROPRIATELY RESETTLED VETERAN CADRES. It has conversations with each cadre who stepped down or advanced and with each comrade who was not promoted despite promotability. It listened to their views. Among the 10 former section chiefs, one was resettled as an organization officer with the rank of deputy provincial department head, some were made investigation and research officers at the sectional level, and others were given appropriate jobs outside the section. A number of veteran clerical workers with many years of organizational work and a good grasp of policy and higher work ability were not promoted because of their advanced age. In light of their indispensability to their work, nine were made organization officers with the rank of deputy section head.

CPCCC DEPARTMENT HOLDS FORUM ON CADRE EDUCATION

OW160512 Beijing XINHUA Domestic Service in Chinese 1242 GMT 15 Dec 84

[By reporters Zhang Yanping and Liu Erning]

[Excerpts] Xian, 15 Dec (XINHUA) -- A forum on secondary specialized education for cadres, which was called by the CPC Central Committee Organization Department ended in Xian today. The forum called for producing greater, faster, better, and more economical results in the work of training cadres and, in particular, attaching great importance to secondary special education for cadres at present. All departments and units should conduct cadre training geared to the special needs of the job at different levels.

The forum was held in two stages. The first stage was held in Beijing from 25 to 29 November and was attended by leading comrades in charge of cadres' education in some provinces and municipalities and central departments concerned. The second stage was held in Xian from 10 to 15 December and attended by some 60 leading comrades of the organization departments of the CPC Committees of 22 provinces, municipalities, and autonomous regions, as well as the CPC Central Committee Propaganda Department and the departments concerned under the Ministries of Education, Labor and Personnel, and Agriculture, Animal Husbandry, and Fishery. Wang Zhaohua, deputy director of the CPC Central Committee Organization Department, spoke at the forum.

This April, the CPC Central Committee Secretariat urged organization departments to take effective measures to step up the work of training cadres by making full use of the existing party schools, cadres' schools, and special classes and training classes for cadres at schools of higher learning to conduct training for cadres who are under 45 years old and have not yet reached the level of secondary specialized education.

After conscientiously studying the instruction of the CPC Central Committee Secretariat, the forum participants discussed and studied measures for implementing the instruction. The forum held that the Secretariat's call for training cadres who are under 45 years old and have not reached the level of secondary specialized education is timely and correct. In terms of age, cadres in this category are the generation that will continue to work until about the year 2000 and will form a connecting link between the preceding and the following on various fronts. In terms of number, they comprise one-quarter of the cadres in the whole country -- about 5 million. The completion of the training of secondary specialized education for this category of cadres is of great importance to accelerating the process of making the ranks of cadres better educated and more professionally competent.

The forum called on all localities and departments to unfold the secondary specialized education and other training for cadres in the following two aspects. First, it is necessary to make full use of the existing party schools, cadres' schools, and secondary specialized schools. Second, it is necessary to reform anything that hinders the production of greater, faster, better, and more economical results in training skilled personnel and to boldly try out measures that meet this requirement.

OFFICIAL ON EFFORTS TO HELP FORMER KMT SOLDIERS

HK150438 Beijing CHINA DAILY in English 15 Dec 84 p 1

[By Staff reporter Li Huahong]

[Text] The Chinese government plans to present testimonials next year to all former Kuomintang (KMT) soldiers who joined the Chinese revolution, said a senior official of the United Front Work Department of the Communist Party of China.

Liu Xiaoping, chief of the Cadres' Bureau under the department, told CHINA DAILY yesterday that the testimonials are to further confirm their contribution.

The official said the move also aimed to further mobilize everyone possible for the country's modernization programme and accelerate the re-unification of the mainland with Taiwan, where many of the former KMT soldiers have relatives and friends. Considerable achievements, have already been made in helping the former soldiers, Liu said.

He noted a recent BEIJING DAILY report about work done by Huairou County in suburban Beijing and Dongcheng District of the capital. The two have recently identified a total of more than 650 former KMT soldiers and helped them.

Progress in other parts of the country is roughly the same, he said. But he added that some places such as Shanxi Province and Shanghai City had completed the work earlier and the offices in the two local governments involved with this work no longer existed. Almost every local government has an office to co-ordinate efforts in helping the former KMT soldiers in regard to political positions, jobs or life in general. The government has many times allocated large sums of money for the work.

The work began soon after the founding of the People's Republic of China in 1949 but was re-started in 1978 after being suspended during the "cultural revolution" when the Gang of Four persecuted them, condemning them as remnant KMT reactionaries and sending many of them to the countryside.

The work from 1979 to the present centred on the rehabilitation of about 100,000 former KMT soldiers severely persecuted during the "cultural revolution". According to statistics made available in the early days of the People's Republic, there were more than 1.7 million former KMT soldiers who had joined the revolution, most of whom were properly treated before the "cultural revolution."

The party and the government have shown great concern over this work, the official said. The central authorities have reiterated that the former KMT soldiers are allies and stressed the principle of not quibbling over their pasts before they came over.

Central authorities have also stressed that they should be compensated and all their property wrongly confiscated, including houses, should be returned.

Now the cases of the 100,000, with a few exceptions, have been resolved. Those who can work have returned to their original jobs or been assigned new jobs, and those who are old or have lost their working ability are receiving State relief. The former KMT soldiers are mostly in their late fifties or sixties. Their representatives have taken up positions in the Chinese People's Political Consultation Conference or its local organizations or other government offices.

But there are still many difficulties in further progress of the work. Lack of records have made it difficult to identify those who came over to the revolution from irregular KMT troops, while the central authorities have stressed that not a single one should be neglected. And there are still complaints from some of the former KMT soldiers. However, "we will exert our greatest efforts in the work," Liu said.

The official also said that the former KMT soldiers had made great contributions to the Chinese revolution and construction. The examples are numberless, he said.

Last December, the central authorities presented testimonials to 78 former KMT air force pilots who had flown their aircraft to the mainland in the past 30 years. And in September 1981, the Civil Aviation Administration of China presented testimonials to the people from the former China National Aviation Corporation [as published] and Central Air Transport Corporation [as published] who came to the mainland from Hong Kong with 12 aircraft on December 9, 1949.

CYL DECISION CALLS ON YOUTHS TO JOIN IN REFORM

OW161401 Beijing XINHUA Domestic Service in Chinese 1302 GMT 14 Dec 84

[Text] Beijing, 14 Dec (XINHUA) -- "Decision on Giving Full Play to the Role of the Communist Youth League in Reforming the Economic Structure" (adopted by the 3d Plenary Session of the 11th CYL Central Committee on 14 December 1984).

The "Decision of the CPC Central Committee on Reform of the Economic System" adopted by the 3d Plenary Session of the 12th CPC Central Committee is propelling the reform of the entire economic structure forward in an all-round way. Reform is a great socialist practice of our party to lead the hundreds of millions of people to build socialism with Chinese characteristics. It is aimed at establishing a vigorous socialist economy, developing productive forces, and accomplishing the great target of quadrupling China's total annual industrial and agricultural output by the end of this century as proposed by the 12th CPC National Congress.

A basic task of socialism is developing the socialist productive forces to continuously satisfy the people's daily growing material and cultural needs. The CYL must strive and work hard for the fulfillment of this basic task. In the new situation of rigorously reinforcing reform and revitalizing the economy, the CYL shoulders the great historical task of furthering economic reform and fostering a generation of new people. CYL organizations at all levels must earnestly study, deeply understand, and creatively implement the guidelines laid down by the 3d Plenary Session of the 12th CPC Central Committee and lead the broad masses of CYL members to actively carry out reform, resolve to become more competent, foster a happy life, and further create a new situation in doing CYL work.

1. Lead Young People To Join in Reform To Revitalize China's Economy

Young people form the main force of China's large labor contingent. The party and the people earnestly hope that the young generation will play its role as a vital new force in economic reform and the four modernizations. Young people support reform, and reform needs young people. The great practice of agricultural reform proves that reform can provide opportunities to young people to become competent and useful persons and pursue their own future and happiness. Leading young people to join in reform is an important task of the CYL.

To lead young people to join in reform, it is necessary to help the young people realize reform's ideological and practical nature, mission, and objective by means of lively propaganda and education; enhance their enthusiasm for and sense of responsibility regarding reform; link their future with the nation's prosperity, strength, and revitalization; and work heroically and make more contributions while working at their respective posts. It is necessary to guide the young people to serve the needs of reform, be willing to go to places where conditions are difficult, workloads are heavy, and they are most needed by the people engage in service trades where there are great prospects for their development; and vie with one another in tackling heavy tasks and being models. It is necessary to educate young people to suit the needs of modern mass production, improve their qualifications, raise their work efficiency, and be models in working hard and observing discipline and regulations.

It is necessary to guide young people to realize reform's arduous and complex nature, establish an overall concept, take a scientific approach, and propel reform forward with a fearless spirit and indomitable tenacity. It is necessary to link the current leaguewide study and education activities with the current reform of the economic system to ensure tangible results in helping CYL members correctly understand and conscientiously participate in the reform.

To lead young people to join in reform, CYL organizations must expand their field of work beginning with the needs of their own localities or units in economic reform and must promote activities that are of economic and social benefit and conducive to developing the young people's intelligence and skills. In reform activities over the past several years, rural CYL organizations at all levels, in their effort to promote specialization, commercialization, and modernization of agricultural production, have helped young people set up two types of associations (specialized households and scientific and technological demonstration households), scientific and technological and information service agencies, and various kinds of economic establishments aimed at developing commodity production and absorbing surplus rural manpower; while urban CYL organizations have organized young people to contract "youth" projects and set up associations of "five small industrial enterprises," youth management groups, scientific and technological key task teams, and youth contract teams. All these are new developments to encourage young people to vie with one another in becoming shock workers in the new long march and are attempts to serve economic construction and expand the CYL's field of work. These experiences should be studied seriously, summed up, and spread so that new experiences may be gained.

In leading young people to participate in reform, CYL organizations must boldly encourage and arouse the young people's creativeness and must support reform activities among youths. They should encourage genuinely talented young people to take on important jobs in managing enterprises and be first in contracting work for themselves rather than regarding them as "second-class citizens." They should encourage young people to work hard and excel in their respective fields and become well-off ahead of others rather than slanderously referring to them as "going after everything for money." They must encourage young people to be independent, self-reliant, daring to express their independent views, and daring to be creative and be achievers in their respective professions or academic pursuits rather than regarding them as being "presumptuous and arrogant." In the practice of reform, there already have appeared a large number of vigorous, courageous, and ambitious young people. CYL organizations must vigorously spread their advanced thinking and deeds and guide them to further emancipate their thinking, to be bold in their explorations, to work hard in a down-to-earth manner, to always maintain a clear head, and not to be arrogant in victory, not to be dejected in defeat, not to be discouraged in disappointment, and not to be depressed when abused. In short, CYL organizations should support the young people's spirit and deeds of reform and encourage them to play a still bigger role in reform.

To lead young people to join in reform, it is also necessary to correctly deal with two different types of problems emerging in reform. Reform is a mass understanding to explore and create new things. It needs to be perfected and developed step by step, and various kinds of interference must be constantly eliminated in the course of its development. Regarding those young people who, because of their inexperience, have made mistakes or even suffered defeat in reform, we must show them concern and love and help them sum up experiences, draw lessons, and continue their explorations. As for those people who unscrupulously pursue private ends for themselves or for their units in the name of reform, thereby hurting the interests of the state and consumers and defaming reform, we must heighten our vigilance, promptly report their evil deeds to the party and government departments concerned, and launch resolute struggles against them.

2. Guide Young People To Become Useful Individuals Who Serve China's Revitalization

At present, the Chinese people are launching a new takeoff, and the Chinese economy is facing the challenge of a new worldwide technological revolution. Economic revitalization depends on scientific and technological progress, development of the productive forces hinges on improvement of the quality of the labor force, and the success or failure of reform depends on the discovery, training, and employment of talented people. To narrow the scientific, technological, and management gap between China and the world's advanced nations as soon as possible, to meet the urgent needs of reform and the four modernizations, and to bring prosperity and happiness to the hundreds of millions of Chinese people, we must guide young people to go all out and make the nation strong, study hard, and become a generation of well-developed new people who have lofty ideals and noble sentiments; have mastered modern scientific, technological, and management knowledge; and are endowed with a high pioneering spirit.

CYL organizations at all levels must widely propagate the important role of raising the workers' scientific and technological level in promoting the development of productive forces and helping young people realize the importance of learning scientific, technological, and management know-how from advanced countries, including capitalist nations; aspire to study for the good of the motherland; and establish a devotion to continuously learn and be educated all their lives. CYL organizations at all levels must open literacy classes, general knowledge courses, self-study guiding centers, technical training classes, and lecture sessions on various topics, and set up various forms of intellectual resource development centers and youth reading groups to encourage youths to become useful persons through self-study. They must also encourage and guide young people to link study with practice and pioneering and lead them to go all out in mastering advanced production technology and raising the level of operation; to go all out in learning and applying modern management knowledge and in introducing, absorbing, and applying new technology; and to go all out in seizing new information and developing new products and new markets.

Assistance to young people's study should be categorized. Different requirements should be set for young people with different educational foundations and technical levels working at different posts: Young people in rural areas, including those working in township or town-operated enterprises, should be guided to study how to become affluent through learning science and technology. Young people working in cities should strive to study science and general knowledge according to their job requirements in order to become technically and professionally more proficient as soon as possible. College and middle school students should be aware of the needs of modernization, the world, and the future, and study diligently and painstakingly. They should also actively involve themselves in social work in order to be better prepared for the four modernizations with greater capabilities and broader knowledge. College-educated young people and young technicians, administrators, and scientific researchers, who have had special training in various fields, should constantly renew their knowledge and strive to become the mainstay forces in the march toward science and technology. Young people on the national defense front should strive to study and master modern military science and technology as well as skills needed in socialist economic construction in order to become personnel qualified for both military and civilian work.

While improving young people's scientific knowledge, production skills, and educational level, we must pay special attention to doing a good job in training, cultivating, and recommending young people of various talents and encourage young people to become outstanding.

The four modernizations drive is urgently in need of large numbers of young scientists, engineers, entrepreneurs, men of letters, and artists as well as experts of all trades and professions. CYL organizations at all levels must step up doing their work among young intellectuals, and CYL cadres should strive to become bosom friends with talented young people, make great efforts to publicize and commend those whose achievements are outstanding, pay attention to their political maturity and progress, and strive to create good conditions for them to improve their professional capabilities and give full scope to their roles.

Encouraging and guiding the younger generation to study hard and become useful personnel is a strategic task which is significant to the state's future and determines the nation's prosperity or decline. CYL organizations at all levels must work in coordination with other social quarters concerned and, in accordance with the actual situation in their regions and units, set clear objectives and formulate long-range plans and specific measures in order to pave the way for helping young people become useful people. Each and every young person must have this resolve: To struggle strenuously for a generation or two to push the entire Chinese nation to the rank of advanced nations in the world with developed science and technology.

3. Guide Young People To Work Hard To Combat Outmoded Concepts and Create a Happy Life

The "Decision of the CPC Central Committee on Reform of the Economic Structure" points out: "We should build a socialist civilization with both a high material level and a high cultural and ideological level. This is our party's unswerving principle." While taking active part in building a socialist material civilization, the CYL must also work energetically to strengthen its ideological and political work, do a good job in building a socialist spiritual civilization in a lively, definite, and down-to-earth manner, and educate and broad masses of league members and young people to uphold the communist conviction, moral ideas, and outlook on life. With reform under way, the CYL must guide young people to work conscientiously to combat the influence of "leftist" ideas and outmoded, traditional concepts and forces of habit, and encourage a new life style compatible with the development of production and social progress so that reform can progress smoothly.

We should realize that "leftist" ideas, which became overwhelming during the decade of internal turmoil and caused serious disaster for the party and the state, have still not yet been completely eradicated, and that the influence of outmoded, traditional concepts and forces of habit left over from the extended period of feudal society cannot be underestimated. These concepts include those which regard the development of commodity economy and the application of the law of value as "capitalist practices," the phenomenon that some people have become affluent ahead of others as "polarization," and the act of opening our doors to the outside world as "worshiping and having blind faith in foreign things." They include such conservative ideas as lack of enterprising spirit, fear of change, and adherence to conventions; the egalitarian concept of "eating from the same big pot" and the idea that common prosperity means simultaneous prosperity; the seniority concept which stresses length of service; jealousy of capable people; unwillingness to use or recommend capable people; and so forth. All these are invisible obstacles to the cause of reform and the growth of young people. The CYL must carry forward the glorious tradition of being the trailblazer in society. On the one hand, it should guide young people to break away from the influence of "leftist" ideas and of outmoded concepts and outmoded habits in society and among themselves and firmly resist the inroads made by capitalist ideas. On the other hand, it should guide young people to take the initiative in fostering reformist thinking, courageously smashing outmoded conventions and undesirable customs and restrictions; in exerting their utmost to heighten the positive, forward-looking, and enterprising spirit; and in influencing other people with such a spirit so as to bring about constant development in building socialist material and spiritual civilization.

Guiding young people to create a happy life and push forward a change in life-style is also an important aspect in building socialist spiritual civilization. Generally speaking, the way of production determines the way of life, but a change of life-style can also expedite an improvement of the way of production. More often than not, a major social change is linked to a change of life-style. In changing life-style, young people are the most active and lively force. To keep up with modern ways of production, they want all kinds of businesses handled quickly and efficiently. They want that because, as production develops and their pay increases, they will gradually have a more affluent material life and a fuller spiritual life. These wishes are all legitimate. We should not consider the modern life-style as a bourgeois life-style, much less should we equate poverty with socialism. A socialist society should, and can, create an even higher labor productivity, thus creating an even better life for its people than a capitalist society. The CYL should guide and lead young people to do away with what is backward, ignorant, and decadent, and take the lead in promoting a civilized, healthy, and scientific life-style in society. It should encourage and guide young people to take a rational and scientific approach toward consumption. This means that while not ignoring the fact that consumption can stimulate production and not restricting consumption, we should discourage excessive consumption in disregard of the situation of production. We must step up the construction of youth centers and beautify young people's life in various ways so that their life will become fuller and richer. While encouraging young people to act bravely in seeking a good life, we must also help them understand that diligent study and hard work are preconditions for and foundations of a good life with the creation of one, and improve their life through working hard and creating wealth for society.

4. Do a Good Job in Reforming the CYL Itself and Reinvigorating CYL Organizations

Under the new situation of reforming the economic structure, the CYL is also faced with the task of reforming itself. This is a serious subject presented by the objective situation, as well as a requirement appearing in the course of the development of CYL operations. In recent years the CYL has exerted unremitting efforts to change the situation of its operations being incompatible with actual needs, and has accomplished fairly good results in this regard. However, we must also realize that CYL operations and their development still cannot keep up with the requirements of the situation in reform in many ways. The most conspicuous expressions are: CYL organizations, particularly those at the grassroots level, lack the kind of vitality that they should have, and the CYL has failed to give full scope to its role in expediting economic construction and in uniting with young people and educating and serving them. Such being the case, the CYL, while reforming itself, should focus its attention on revitalizing its organs and, proceeding from the needs of the whole situation and reality, consider it its objective to keep up with the reform of the economic structure, expedite speedy development of productivity, and serve young people more effectively.

Today we must reaffirm, and implement in actual work, the guiding thought that "CYL operations must be enlivened with the four modernizations as the focus." On this basis, the CYL should constantly make its projects, its organizational form, its activities, and its leadership compatible with the reform of the economic structure. This means that, in terms of operations, colorful activities should be launched centering around the need of economic construction and reform; that, in terms of ideological education, the CYL should pay attention to tapping young people's initiative and creativity by enlightening and encouraging them and by other lively methods; that, with regard to grassroots CYL organizations, they should be set up in accordance with the needs of local conditions, such as demarcation of administrative areas, departmental differences, and changes of productive and economic organizations; that CYL activities should be flexible

and varied to meet the actual needs of grassroots CYL organizations and young people; and that particularly medium and small-scale activities guided by unified thinking should more often be launched beginning from grassroots units and spreading to higher units. To serve the grassroots units and young people more effectively, CYL organs at all levels should give them guidance more often, instead of issuing more orders.

In order to revitalize the CYL organizations, it is necessary to further foster the thinking of "mobilizing the whole youth league to grasp its basic-level units" and be determined to build such units well so that all basic-level CYL committees and CYL branches become active "cells" working for the whole league. While consolidating the achievements in strengthening basic-level CYL organizations in the countryside at present, it is essential to vigorously grasp CYL work in various urban enterprises according to the needs in carrying out urban economic reform. It is necessary to make it clear that after the enterprises are reformed, CYL work should not be weakened. It should be strengthened in the course of keeping pace with reform. One gains status only by scoring achievements. The CYL organizations in various enterprises must rapidly adapt themselves to the new conditions after the system under which a director (or manager) assumes full responsibility is instituted. Under the leadership of the party committees, it is necessary to revitalize the CYL organizations in various enterprises, help young workers improve their work skills, and develop CYL work while raising economic efficiency. It is necessary to bring into full play the role of CYL members who are intellectuals. Efforts must be made to list CYL work as something important in carrying out the responsibility system in every enterprise and as an indispensable component part in running an enterprise. The broad masses of CYL cadres must further give full play to the spirit of creating the new, boldly carry out practice, find out new ways that are conducive to improving the enterprise's economic results, helping young people to grow healthily, bringing into full play the role of all CYL organizations, and create a new situation in carrying out CYL work in various enterprises.

5. Vigorously Build the Ranks of CYL Cadres

During the new historical period, the CYL shoulders the dual responsibility of leading young people to play their role well in developing economic reform and promoting the four modernizations and of training and supplying various types of outstanding qualified personnel for the party. All this has imposed new and even more stringent demands on building the ranks of CYL cadres.

With the help of the various party committees, the whole youth league already has a large number of outstanding cadres. However, it must also be realized that there are still many comrades who fail to meet the new requirements imposed on them by the reform of the economic structure in theoretical study, general knowledge, science and technology, and work competency. In recent years, a large number of CYL cadres have taken up new posts, and the league has provided the party with many qualified personnel. However, due to personnel shortages, some CYL committees are short of members. CYL committees at all levels must pay full attention to this situation and take the initiative to help party committees and the departments concerned to select, promote, assign, and look after CYL cadres.

To build the ranks of CYL cadres, it is essential to display the spirit of making reform and work hard to find out new ways and new measures to adapt oneself to the new situation in carrying out reform.

Right now, particular efforts must be made to promote those outstanding party and CYL members with pioneering spirit, rich knowledge, and high competence who cherish youth work to assume leading posts in the league. Particular attention must be paid to the cadres' age when they are assigned to various leading posts in CYL committees so that their age will be in proportion to their rank. It is necessary to readjust the ranks of CYL cadres vocationally and intellectually by selecting and promoting some outstanding cadres with various vocational knowledge and skills to various leading posts in CYL organizations. At the same time, incumbent CYL cadres must be helped to raise their ideological and theoretical level and broaden their knowledge in science, technology, and management by means of on-the-job study or attending training classes on a rotation basis. While adhering to the provisions of the CYL Constitution, it is essential to gradually work out and improve the system of recruiting, selecting, and admitting basic-level CYL cadres by examination and exchange. Efforts must be made to change the situation of relying only on full-time CYL cadres to do the work. It is necessary to build, as soon as possible, a mighty contingent of CYL cadres with full-time cadres serving as the main force, but with full-time and part-time cadres working together and with many qualified cadres working in all fields. It is also necessary to do away with the phenomenon of doing CYL work with "no distinction made between those who do more work and those who do less and between those who do a good job and those who do a poor one." Efforts must be made to gradually achieve the goal of ensuring that the achievements of CYL cadres in doing their work are reflected in their political prestige and material benefits.

Cadres at all levels in the whole league must clearly understand the situation, rouse themselves, and work hard to cultivate fine qualities in doing work in all fields as soon as possible. It is essential to raise one's ideological and theoretical level; assiduously study Marxism-Leninism-Mao Zedong Thought; study the party's line, principles and policies; and remain politically sober-minded at all times. It is necessary to strengthen one's economic concepts; show concern over the world economic situation as well as the overall situation in China's economic construction; understand the plan for economic development in one's own district, unit, and department; and integrate CYL work with the four modernizations. Efforts must be made to improve one's skills in the field of science; assiduously study economics, technology, and management; and strive to become an expert in one's own trade and department. It is imperative to bring into full play the spirit of creating the new, dare to do away with outmoded practices that are incompatible with actual conditions, and strive to find out new ways to do CYL work in ways that are compatible with the situation in carrying out reform. It is necessary to foster a realistic work style, proceed from actual conditions in doing everything, maintain close ties with young people and concern ourselves with their interests, make no empty promises, perform more actual deeds, and serve the party's central tasks and the hundreds of millions of young people in a down-to-earth manner. In short, every CYL cadre must strive to become a qualified person in his own profession who has up-to-date knowledge in management and is good at doing ideological and political work.

In its history of struggle in the past 60-odd years, the CYL has always acted as the party's assistant and reserve force, playing a significant role in China's revolution and construction. In the new historical period, to fulfill the four modernizations and invigorate the Chinese nation, the CYL must score new achievements for the prosperity of the state and the well-being of the people.

The 3d Plenary Session of the 11th CYL Central Committee has called on all CYL organizations and the broad masses of CYL cadres to earnestly implement the guidelines laid down by the 3d Plenary Session of the 12th National CPC Congress, display a high spirit and the work style of creating the new and seeking the truth, and make use of the CYL members and young people of all nationalities throughout the country to wage a valiant struggle in building socialism with Chinese characteristics.

RENMIN RIBAO ON FLEXIBILITY IN PLANNED ECONOMY

HK151014 Beijing RENMIN RIBAO in Chinese 14 Dec 84 p 5

[Article by Xiong Yingwu: "Flexible Methods of Regulation Must Be Adopted for the Planned Economy"]

[Text] The decision of the CPC Central Committee on reform of the economic structure points out: "In the reform of the planning system, it is necessary, first of all, to discard the traditional idea of putting the planned economy against the commodity economy. We should clearly understand that the socialist planned economy is a planned commodity economy based on public ownership, in which the law of value must be consciously followed and applied." This is a scientific conclusion on a fundamental problem which has been in dispute for years. In implementing this important concept of the "decision," it is necessary to overcome the metaphysical view which pits socialism against capitalism in all aspects. From the viewpoint of fundamental systems, socialism is contradictory to capitalism. However, it is absolutely not practical to say that because the commodity economy, competition, profits, and so on exist in capitalist society, these things should not exist in socialist society. Historical experiences have proved that the socialist economy must adopt the form of the commodity economy in order to maintain its existence and to achieve development. The idea of skipping over the commodity economy period and entering socialism and communism directly is very harmful and wishful thinking, which has been proved by practice to be impracticable.

Since the socialist economy is a planned commodity economy based on public ownership and the object of planned management is commodities, all the methods of planned management must fully utilize the law of value and all the economic levers related to the commodity economy, adopt flexible methods of regulation, combine mandatory planned regulation and guiding planned regulation with market regulation, and combine the regulation before the event with regulation after the event. Even the materials under mandatory planned management, such as grain, cannot discard the utilization of the law of value. For example, another bumper harvest of grain was recorded in Heilongjiang Province this year. In order to extend the time peasants deliver and sell corn and to ease the pressure in terms of purchasing and storage, the provincial government adopted the measure of implementing a seasonal price differential in purchasing corn, and it was stipulated that one jin of corn would be purchased at 0.11 yuan before 1 May 1985, and it would be purchased at 0.12 yuan after 1 May 1985. (As for the exact amount of the price differential which would be appropriate, it has to be decided by practice in the future.) This is an example of using the economic lever of price to ensure the implementation of a mandatory plan. For another example, the price of coal being on the low side is very unfavorable to the development of the coal industry and it disadvantageous to the solution of the contradiction between insufficient energy resources and economic development. The close relationship between reform of the planning system and reform of the price system shows that the socialist planned commodity economy requires the simultaneous application of the law of developing the national economy in a planned and proportionate way as well as the law of value, so that "the visible hand" and "the invisible hand" can both play their role.

The "decision" has summed up the four basic points in the planning system of our country, which is a model in creatively utilizing the principles of Marxist economics to solve the most complex problem of planned management based on the practical conditions of socialism in our country, and which has embodied the unity of principle with flexibility. We should conscientiously implement them in our practical work and in our theoretical studies.

END TO LEFTIST CULTURAL VIEWS EXAMINED

HK170842 Beijing RENMIN RIBAO in Chinese 17 Dec 84 p 7

[Article by Yu Tie: "'The Birds Frightened by the Bow' and 'The Bow Frightened by the Birds'"]

[Text] Comrade Hu Yaobang put it excellently when he called for "great zeal, great unity, great prosperity" in literature and art circles! There can be no flourishing literature and art without great drive and unity in literature and art circles. And still more important for the quality of the literature and art contingent and for the quality and quantity of literary and artistic talent is their mental state, which also plays a decisive role in whether literature and art can flourish or not.

With the toppling of the "gang of four" and the smashing of the mental shackles of the theory of "dictatorship by the black line in literature and art," the literature and art circles fervently acclaimed their feeling of emancipation in being "liberated for the second time," and this was, first, mental emancipation. Since the 3d Plenary Session of the 11th CPC Central Committee, as a result of bringing order out of chaos and emancipating the mind, many problems of "lingering fear" have been solved in literature and art circles, and there has indeed been a change in the mental state known as "bird frightened by the bow."

However, it also has to be said that the "leftist" ideology and methods that formed over a long period and reached an extreme peak during the 10 years of turmoil have not yet, apparently, been completely eliminated in our literature and art ranks. It can be said that even today there are still two habits left over from history in the field of literature and art: One is the habit of fear among literature and art workers; the other is the habit of "leftist" viewpoints and methods. These two both effect great zeal, and thus hamper great prosperity.

The 17 September XINHUA report on the forum of literature and art workers convened by the CPC Central Committee Propaganda Department drew attention by pointing out: "At present, it is essential to focus on eliminating and thwarting 'leftist' influence in leadership work for implementing the policies on literature and art." These words fully conform to reality. If "the birds frightened of the bow" and "the bow frightened by the birds" are judged to be two sides of a contradiction, then the main side is obviously the bow. If the bow is always being twanged, how can the birds avoid being frightened?

What is the bow? It is the "leftism" that has existed for a long time. From the founding of the state up to the "Great Cultural Revolution," there was unending political criticism plus organizational measures applied in the literature and art circles. The 10 years of turmoil were known from beginning to end as the "Great Cultural Revolution." "Culture," "revolution," and "leftism" -- these three were tightly linked. That is, the spearhead of struggle of the "leftism", which waves the signboard of "revolution," is often first pointed at the ideological and cultural circles. The ideas, beginning in the 1950's, that "'leftism' is a question of understanding whereas rightism is a question of stand," and "rather 'left' than right" developed all the way to "exercising all-round dictatorship over the bourgeoisie (bourgeois intellectuals first, naturally)."

How could this "leftism," which formed and existed for so long, suddenly vanish in a single morning?

There are also various manifestations of the habit of "leftism." I have initially thought of these: First, taking an excessively severe view of side issues in literature and art: second, taking an excessive view of the mistakes ("leftist" mistakes apart, naturally) of literature and art workers, habitually exaggerating them, and frequently sticking political labels onto people: third, while verbally acknowledging that the literature and art contingent is good and ought to be trusted, not in fact really changing one's view of this contingent and always feeling uneasy in the depths of the soul about certain people: and forth, inappropriately applying administrative measures to unreasonably interfere in literature and art issues.

There is also a question of understanding regarding emancipating and developing the "literature and art productive forces." Unless this question of understanding is solved, it will be very difficult to destroy the "leftist" thinking and habits that have formed over a long time.

For a long time we consistently stressed that literature and art were something political. Although we no longer raise this slogan now, the habit of this ideological view is certainly not something that can be swept away all at once. Simplified views such as "the sole function of literature and art is as a tool of political struggle," and "the sole function of literature and art as a tool of political propaganda" exist in remnant form not only in the minds of certain leaders in literature and art, but also in the minds of some literature and art workers. This idea is bound in practice to lead to neglect of the notion that literature and art must satisfy the needs of 1 billion people, and to neglect of emancipation and development of the "literature and art productive forces."

A leading comrades of the CPC Central Committee has pointed out: "Our party's fundamental task after assuming power is to develop the productive forces and to satisfy the ever-growing needs of the people in material and cultural life." This is an extremely important basic guiding ideology for building socialism. In accordance with this basic guiding ideology, in our leadership work over literature and art we must attach a high degree of importance to emancipating and developing the "literature and art productive forces," and work to promote the great prosperity of socialist literature and art so that our literature and art can satisfy to the maximum, in many respects and at many levels, the ever-growing needs of the people. I hold that only thus can the superiority of socialist literature and art be expressed.

Unfortunately, certain comrades engaged in leadership work in literature and art have apparently still not clearly understood the extreme importance of emancipating and developing the literature and art productive forces, and they are just content in their work "enforcing strict political demands" and "acting as sentinels." Of course it is very necessary to "enforce strict political demands" and "act as sentinels," but it is not enough to restrict oneself just to this. We must pay attention to developing the literature and art productive forces along the orientation of serving the people and socialism. If we are just "enforcing demands" and "acting as sentinels," and constantly twanging the bow without taking into consideration the emotions and enthusiasm of literature and art workers for creation, then this is not a correct path for socialist literature and art. There can certainly not be great prosperity without great zeal and unity!

Put down that rotten old bow and let the birds spread their wings in the blue sky of socialism!

SHANGHAI ECONOMIC ZONE TO COVER 4 PROVINCES

OW170606 Beijing XINHUA Domestic Service in Chinese 1343 GMT 16 Dec 84

[By reporter Li Zhenghua]

[Text] Shanghai, 16 Dec (XINHUA) -- At a recent news conference, Wang Lin, director of the State Council Office on Planning of the Shanghai Economic Zone, announced that the State Council had approved the expansion of the Shanghai Economic Zone from the original Shanghai Municipality plus nine cities in Jiangsu and Zhejiang to the entire area of Shanghai Municipality and Jiangsu, Zhejiang, Anhui, and Jiangxi Provinces. This is a major decision made by the State Council after the 3d Plenary Session of the 12th CPC Central Committee to further remove barriers between departments and regions in order to cope with the needs of the new situation in restructuring China's economy.

The expanded Shanghai Economic Zone enlarges from the original municipality, 9 cities and 55 counties, to cover 49 cities (prefectures) and 301 counties (cities) in the 4 provinces and 1 municipality. In the economic zone, there are over 100,000 industrial enterprises, constituting 26.6 percent of all industrial enterprises in the country. They produce some 240 billion yuan value of industrial and agricultural output, which is 26.5 percent of the gross value of the country's industrial and agricultural production. The output of major industrial and farm products, such as grain, cotton, generated electricity, steel, yarn, cloth, cement, walking tractors, and internal combustion engines, and the total volume of retail sales also constitute more than 20 percent of the corresponding national figure.

After this readjustment, the Shanghai Economic Zone will develop from an economic structure based mainly on light industry to a production system with light and heavy industries developing proportionately. In the economic zone are Shanghai Municipality, China's largest economic center and foreign trade port city, and clusters of small, medium-sized, and large cities on the fertile Chang Jiang Delta. With powerful light and textile industries, as well as machine-building industry, and the country's largest harbor loading and unloading capacity, the economic zone is also endowed with abundant resources of energy, nonferrous metals, and other raw materials. Its developing iron and steel industry and petrochemical industry will soon become China's largest production bases. Its electronics industry is also gradually taking shape. Moreover, there are 169 schools of higher learning with 1.27 million research workers in natural sciences in the economic zone, which provide resourceful scientific and technical personnel. Five of the country's 14 open coastal cities are located in the economic zone. At the same time, it is also one of China's agriculturally developed areas and its developed rural commodity economy provides a solid foundation for the all-round development of the economic zone.

Wang Lin said: The purpose of readjusting and expanding the Shanghai Economic Zone is to cope with the needs of the new situation in restructuring the economic system as a whole, with the focus on the urban economy, to speed up the pace of enlivening the domestic economy and opening to the outside world, to develop economic relations among enterprises and regions and cooperation among specialized departments, as well as to readjust the economic setup, industrial structure, and geographical distribution of enterprises in an effort to establish a distinctively Chinese socialist economic management system characterized by rational division of labor, close coordination among cities, and separation of government functions from enterprise management.

Commentary Views Expansion

OW171044 Shanghai City Service in Mandarin 2300 GMT 16 Dec 84

[Station commentary: "Give Effect to the Superiority of Associated Operations and Play the Role of Trailblazer Well"]

[Text] The Shanghai Economic Zone has been expanded from the original 10 cities to 4 provinces and 1 municipality. This is an important event in the economic development in east China as well as throughout the country.

Economically, expanding the Shanghai Economic Zone meets the objective needs of stimulating the productive forces of the four provinces and one municipality, politically, it meets the needs of accelerating the reform of the economic structure there, in work it meets the needs of organizing and promoting economic associations in the zone.

The Shanghai Economic Zone, which includes Shanghai Municipality and Jiangsu, Zhejiang, Anhui, and Jiangxi Provinces, is the most economically developed zone in the country and is also the nation's first comprehensive economic zone. It promises bright prospects for China's socialist modernization. People will be able to see that reforms of the economic structure and the major economic measures adopted by the state will be quickly and clearly reflected here first. After its expansion, the Shanghai Economic Zone will be able to enlarge the scope of its microeconomic activities while playing a greater and more effective role in promoting macroeconomic activities. In other words, the economic zone will better implement the central decision on reform of the economic structure and accomplish the historical mission entrusted it by that decision.

Shanghai is the nation's biggest economic center and is also the biggest city in the Shanghai Economic Zone. Jiangsu, Zhejiang, Anhui, and Jiangxi are Shanghai's vast hinterland, important support, solid foundation, and effective backing. Shanghai should make good use of its superiority in industry, communications, trade banking facilities, science, technology, specialized personnel, and information and play its multifunctional role well. It should take the initiative in serving the surrounding cities, the economic zone, and the entire nation. In the course of socialist modernization, Shanghai must play well its role as trailblazer in promoting economic associations in the country and in opening to the outside world.

PLA CIRCULAR ON SPRING FESTIVAL ACTIVITIES

OW161043 Beijing XINHUA Domestic Service in Chinese 1236 GMT 15 Dec 84

[Text] Beijing, 15 Dec (XINHUA) -- The PLA General Political Department has issued a circular on launching activities for supporting the government and cherishing the people during the Spring Festival. The circular calls on all units to make further efforts to ensure the implementation of the guidelines of the 3d Plenary Session of the 12th CPC Central Committee and the discussion meeting of the Central Military Commission in the course of these activities.

The circular says: All Army units must further conduct in-depth studies of "The Decision of the Central Committee of the Communist Party of China on Reform of the Economic Structure" and the important opinions of Deng Xiaoping, chairman of the Central Military Commission, that the military work should be subordinated to the overall interests of national construction, and acquire a better theoretical understanding of the significance of these opinions to reform the economic structure. Comrades of local party and government organizations and advanced units in enterprise reform, as well as those comrades who have made contributions to reform after being transferred to civilian work or retired may be invited by Army units to make reports.

The Army units may also inspect local units that have achieved notable results in reform. This will enable all to witness the might of party policies and the solid results of reform, so that commanders and fighters will more consciously and enthusiastically show concern for and serve the overall interests, and support reform.

The circular says: It is necessary to conduct in Army units an intensive education in and a general survey of the implementation of the instructions of the CPC Central Committee, the State Council, and the Central Military Commission, on strictly observing policies and discipline, as well as on guarding against and preventing new unhealthy tendencies.

The circular urges all Army units to further promote the activities for building socialist spiritual civilization with joint Army-civilian efforts. It is necessary to understand local plans for 1985 economic construction, the construction of key projects in particular, and make plans and preparations to render support by taking into consideration the needs of the localities and the actual capabilities of Army units. It is necessary to coordinate efforts with local authorities, and successfully launch activities for building spiritual civilization with joint Army-civilian efforts and training personnel capable of doing both military and civilian work. During the "Month of Supporting the Government and Cherishing the People" and the "Month of Civility and Courtesy," it is necessary to conscientiously do good work for revolutionary martyrs' families; impoverished families; and the lonely, the widowed, the aged, and the handicapped.

CHEN PIXIAN AT SHANGHAI ECONOMIC REFORM MEETING

OWL61329 Beijing XINHUA Domestic Service in Chinese 1614 GMT 15 Dec 84

[By reporter Guo Lihua]

[Text] Shanghai, 15 Dec (XINHUA) -- At a discussion meeting for members of the inspection group of the NPC Standing Committee and Shanghai deputies to the NPC on 15 December, Chen Pixian, member of the CPC Central Committee Secretariat and vice chairman of the NPC Standing Committee, said: In order to put into practice the Decision of the CPC Central Committee on Reform of the Economic Structure, a programmatic document, the first thing is to conscientiously study the document, master its guidelines, and achieve unity in thinking and understanding. Concerted actions can be taken only when unity in thinking has been achieved.

He said: The national situation has taken an excellent turn since the 3d Plenary session of the 11th CPC Central Committee. Reform will only stimulate the economy, enable the nation to prosper, and grow stronger, and benefit the people.

Based on the actual conditions in Shanghai, NPC deputies from Shanghai offered many opinions and suggestions on urban economic reform, reform of price structure, and flow of talented personnel in particular.

After hearing the deputies' opinions, Chen Pixian considered them excellent, practical, and first-hand materials. He said: The central authorities are very concerned about and pay close attention to these problems. You will help the central authorities as well as party and government departments at all levels effectively solve these problems by bringing them up for discussion and offering opinions. He hoped that the Standing Committee of the Shanghai Municipal People's Congress will attach importance to investigations and studies, organize its members and deputies to examine and deliberate the municipal government's work reports, and give full play to the role of local authorities and people's deputies.

The NPC Standing Committee Inspection Group led by Qian Min, member of the NPC Finance and Economic Committee, arrived in Shanghai on 6 December. In the past few days, the Inspection Group has heard reports by Zhu Zongba, vice mayor of Shanghai Municipality, and responsible persons of departments concerned, on reforms in urban economic structure, construction industry, and commerce in Shanghai. The group also inspected factories, shops, housing areas, and trade centers dealing in manufactured goods for daily use and agricultural and sideline products.

DENG YINGCHAO VISITS GUANGDONG ECONOMIC ZONES

OW170629 Beijing XINHUA Domestic Service in Chinese 1512 GMT 16 Dec 84

[By reporter Liu Womin and correspondent Zhou Qingzheng]

[Text] Guangzhou, 16 Dec (XINHUA) -- Deng Yingchao, member of the CPC Central Committee Political Bureau and chairman of the CPPCC National Committee, visited the Shenzhen and Zhuhai Special Economic Zones in Guangdong on 6-16 December.

Deng Yingchao said: It is heartening to see and hear all the fresh things on my visit to the two special economic zones in Shenzhen and Zhuhai. The rapid development of the special economic zones has further proved that the decision adopted at the 3d Plenary Session of the 12th CPC Central Committee on reforming the economic structure is entirely correct and will further promote the rapid development of China's economy. The decision of the CPC Central Committee and the State Council to further open 14 coastal cities to the outside world is not only necessary but also very timely. She wished the Shenzhen and Zhuhai special economic zones greater successes in their work year after year.

Deng Yingchao arrived in Guangzhou from Xiamen on 3 December. In Shenzhen, Deng Yingchao visited the new fishermen's village and had heart-to-heart talks with cadres and people at fishermen's homes. She said: The new fishermen's village is very famous, and I am here to call on you the first day I am in Shenzhen. When she was told that in the past few years, after resolutely implementing the party's policy of opening to the outside world and enlivening the economy, all the fishermen in the village have become well off and the absolute majority of them have moved into new storied buildings, she happily applauded and said: "My congratulations to you on your becoming well off first!" Deng Yingchao also zestfully visited the Shenzhen City Industrial Products Exhibition, the Huali Electronics Corp., Ltd., and some establishments for tourists. She toured the industrial, business, and residential districts and ascended a tall building to see the fresh appearance of the construction in the Shenzhen Special Economic Zone. At the Huali Electronics Corp., 80 percent of its workers are young female workers. When Deng Yingchao arrived for a visit, the vice general manager, who is also a woman, received her. Deng Yingchao encouraged the female workers to make great efforts to study modern scientific knowledge and make contributions toward the construction of the special economic zone.

To solve the water supply problem of Hong Kong and Kowloon residents, construction of the Guangdong Dongjiang-Shenzhen water supply project was started in 1960. Construction of its second-stage project is now under way to further expand the water supply. Deng Yingchao arrived at the Shenzhen water reservoir and asked the workers in detail about the progress of the project and water supply. She said: To guarantee the water supply in the Hong Kong area is a matter of great importance concerning 5 million Hong Kong compatriots. This work must be done well.

Deng Yingchao showed great concern for the cadres working in the special economic zone and went to the compounds of the Shenzhen City CPC Committee and the city People's Government for the sole purpose of seeing them.

A sculpture of an ox reclaiming wasteland was on the lawn in the compound of the city party committee, and on it was written: "The Willing Ox." Comrade Deng Yingchao said: An ox reclaiming wasteland means to serve the people in an earnest and down-to-earth way. This is very meaningful. She told leading comrades of Shenzhen City: The special zone has bright prospects and has great responsibility. To do pioneering work and blaze new trails in the special zone, you must regard the willing ox as a motto for your work.

In Zhuhai, Deng Yingchao visited the Gongbei Customs Office, the Zhuhai Vacation Village, and the Shijingshan Travel Center and toured the city and construction sites which were bustling with activity. Wu Zhaosheng, vice chairman of the Board of Directors of the Zhuhai Vacation Village, told Comrade Deng Yingchao about the changes in his thinking before and after he made investments in the interior. Deng Yingchao praised him for taking the initiative to make investments in Zhuhai.

At the discussion with leading comrades of Zhuhai City, Deng Yingchao said: You have fully used Zhuhai's favorable conditions. The progress of your work is very fast, and your achievements are great. Zhuhai has a bright future. She eagerly hoped that the cadres and masses in Zhuhai would seriously study and implement the decision adopted by the 3d Plenary Session of the 12th CPC Central Committee on reforming the economic structure, seek truth from facts by integrating the actual situation in their units and in integrating the actual situation in their units and in the locality with their work, and build Zhuhai into a unique new city -- a pearl on the sea.

During her visit, Deng Yingchao met with responsible comrades of Guangdong Ren Zhongyi, Lin Ruo, Liang Lingguang, Xie Fei, and Liang Weilin. She also met with Xu Jiatun, director of the Hong Kong branch of the XINHUA NEWS AGENCY, and Huo Yingdong, a noted personage of Hong Kong, who came to visit her. Deng Yingchao told Xu Jiatun and others: The Sino-British talks on the question of Hong Kong were very smooth. Two years of talks have solved the questions left over by history for over 100 years. We will faithfully observe the "agreement" to promote Hong Kong's stability and prosperity.

Visits Zhuhai, Zhongshan

HK170227 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 16 Dec 84

[Text] Comrade Deng Yingchao visited the Zhuhai Special Economic Zone and Zhongshan City from 12 to 16 December. She was accompanied by Comrades Liang Weilin, (Wang Quan), and others. She also met local responsible comrades and persons of departments concerned. Comrade Deng Yingchao said happily: There have been great developments in the Zhuhai special zone, and work in Zhongshan City has been done quite well. As long as you seriously study and implement the decision of the 3d Plenary Session of the 12th CPC Central Committee, economic construction and all other undertakings in the special zone will be done still better.

Accompanied by Zhuhai City CPC Committee Secretary Fang Bao and Mayor Liang Guangda, Comrade Deng Yingchao toured the construction in the special zone, both viewing the scene and listening to reports on the situation. Since the second half of last year, Zhuhai City has strengthened leadership over the special zone, seriously implemented the principle of focusing on industry, and speeded up all-round development on the existing basis. New breakthroughs have been made in importing from abroad and linking up with the interior. Infrastructural construction has been continually stepped up. Industry, commerce, tourism and so on have developed rapidly.

Comrade Deng Yingchao was extremely happy to hear about all this. She said: I have a fresh and lively feeling as a result of viewing the state of your construction. You have taken advantage of excellent geographical and other conditions to build a number of fine construction projects.

This is very good. Your development is very rapid, and the future looks excellent.

On the morning of 14 December, Comrade Deng Yingchao arrived at Sun Yat-sen's old home at Cuiheng. She saw his simple bedroom, listened to a recording of a 1924 speech made by him, and asked detailed questions about the old house. She also laid a basket of flowers in the hall. The flowers bore the inscription: The great revolutionary pioneer, Mr Sun Yat-sen, is immortal. She also wrote her name below a tree planted by Mr Sun Yat-sen himself.

While in Zhongshan and Zhuhai, Comrade Deng Yingchao met well-known Hong Kong figures Mr Huo Yingdong and Mrs Feng Jianning. She also praised Mr Huo Yingdong for taking the lead in investing in the interior.

On the afternoon of 15 December, Comrade Deng Yingchao happily attended a forum with responsible comrades of Zhuhai City CPC Committee and Government. She encouraged them, saying:

[Begin recording] I hope you will embrace spirits and carry forward this spirit of loving the party, the country, the people, and socialism [words indistinct]. I think that if you go on developing at your current speed, you need not wait until the year 2000; you will be able to fulfill ahead of schedule the glorious task of quadruplication set by the central authorities, and carry these plans, construction and so on into the 21st century. I think this place is now called Zhuhai. Zhuhai, Zhuhai, it should be built into a jewel. I earnestly hope Zhuhai will shed its rays in all directions, I think the central comrades also hope for this in the building of this new city. [end recording]

NPC'S LIAO HANSHENG ADDRESSES HEALTH MEETING

OWL70456 Beijing Domestic Service in Mandarin 1200 GMT 13 Dec 84

[Text] The national patriotic health movement work experience-exchange meeting ended this afternoon at (Yongmu) Township in Guangdong's Zhongshan City. Some 200 representatives from various places in the country exchanged their experience in promoting the patriotic health movement under the new situation.

During the meeting, Liao Hansheng, vice chairman of the NPC Standing Committee and chairman of the Central Patriotic Public Health Campaign Committee, delivered an important speech. He said: Comrade Hu Yaobang has said that it is necessary to consider sanitation and hygiene as a breakthrough in promoting five stresses and four beauties activities. His words have been proven by our experience. The health situation is indeed a window to show the mental outlook and spiritual civilization of a country, a region, and a nation.

In summing up the advanced experience of various places, Comrade Liao Hansheng pointed out: The patriotic public health campaign is a campaign of studying and applying science. Its own pattern has a strong scientific nature. It involves preventive medicine, environmental protection, ecological balance and greening work, and their scientific theory and practice. The experience of many units has proved that we must closely rely on science in order to expand the scope and create a new road for the movement. We must adopt new methods to solve new problems and achieve the most economical results.

The meeting also issued letters of commendation and cash awards to 37 advanced units including Harbin, Jincheng, Chifeng, and Guangdong's (Shuidong) Township.

CHEN MUHUA INAUGURATES THREE NEW COMPANIES

OW160923 Beijing XINHUA Domestic Service in Chinese 1551 GMT 15 Dec 84

[Text] Beijing, 15 Dec (XINHUA) -- The reporter today learned that the National Technical Import Corp. has reshuffled its leading body and formed a Board of Directors with Bo Yibo as honorary chairman. The corporation has also established three specialized subsidiaries, namely, the International Public Bidding Co., the Spare parts and Accessories Co., and the Technical and Trade Consultant Co. These companies opened to business today following their inauguration in Beijing.

Attending and addressing the inaugural ceremony, Chen Muhua, state councillor and minister of foreign economic relations and trade, said: The leadership reshuffle and the establishment of new companies by the National Technical Import Corp. in as a move taken in accordance with the State Council's decision on comprehensive reform of China's existing foreign trade system. It is aimed at better implementing the principles of separating government affairs from enterprise management, and of combining industry, commerce, and technology. In his speech, Bo Yibo expressed the hope that the three specialized companies will make the best purchases by using the loans extended by foreign governments and international financial institutions; ensure the prompt supply of parts and accessories needed by imported equipment; provide good technical and trade consultant services; and constantly increase economic and trade contacts with all countries and areas in the world.

Chen Xian is chairman, Ma Yi and Cui Qun are vice chairmen of the new Board of Directors of the National Technical Import Corp. Xu Deen is managing director and general manager of the corporation.

Also attending the inauguration ceremony for the three specialized companies were Fang Yi, Wang Shoudao, Zhang Jingfu, Wang Binggian, Li Qiang, and other Chinese and foreign guests totaling more than 900 people.

ANHUI UNDERGOES 2D STAGE OF PARTY RECTIFICATION

OW160356 Hefei Anhui Provincial Service in Mandarin 1100 GMT 14 Dec 84

[Excerpts] According to an ANHUI RIBAO report, in keeping with the CPC Central Committee's decision on party rectification and the plan of the provincial CPC Committee, the second-stage party rectification in our province has unfolded among the first sets of units, covering party and government organs of 17 prefectures and cities, including Huangshan City, and 73 counties, cities, and bureaus. It has also unfolded among party organizations of some enterprises and establishments at and above the county level, large plants, mines, scientific research units, and 20 colleges and universities under provincial jurisdiction. More than 190,000 party members are involved in this party rectification, which started in middle or late November for the various units and is in the document study stage now.

To strengthen leadership over the second-stage party rectification, most prefectures and cities have sent liaison people to prefectural and city organs as well as subordinate counties and cities to establish contacts, understand the situation there, and help local party organizations successfully carry out party rectification. CPC committees at all levels have attached importance to party rectification, resolutely implemented the CPC Central Committee's decision on party rectification and the suggestions contained in the provincial CPC Committee's plan, and have made careful plans. In the course of party rectification, they have upheld the principle of carrying out rectification from the top down and proceeding in stages and groups. They have stressed that party and government organs at all levels as well as party member-leading cadres should take the lead in successfully carrying out party rectification, that ideological education should receive close attention from the beginning to the end of party rectification, that the principle of correcting mistakes while carrying out rectification should be implemented, that problems should be thoroughly solved, and that practical results obtained from party rectification should be used to bolster the confidence of the masses inside and outside the party in party rectification.

JIANGXI PARTY RECTIFICATION SCHEDULE REVEALED

OW161718 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 15 Dec 84

[Text] The provincial meeting to discuss work for the second stage of the party rectification which ended on 14 December called for efforts to strengthen leadership, set high demands on oneself, and successfully accomplish the party rectification work. The 5-day meeting began on 10 December. It worked out a plan for the second stage of the party rectification in Jiangxi. This stage will be adjusted into three phases and will be accomplished in about 7 months. Two and 1/2 months will be devoted to studying the relevant documents in order to achieve unified thinking. Three and 1/2 months will be devoted to comparison and examination and rectification and correction. One month will be devoted to straightening out party members.

The meeting set the following requirements for the second stage of the party rectification:

1. It is necessary to accomplish party rectification work in accordance with high standards and strict demands.
2. It is necessary to effectively strengthen leadership over party rectification work. Many of the No 1 and No 2 leaders of all units should be specially assigned to take charge of the party rectification work.

3. Leading members should take the lead in studying and discussing documents, in conducting comparisons and examinations, in launching criticism and self-criticism, and in carrying out rectification and correction.
4. It is necessary to correctly implement the basic principles, policy, and measures for the current party rectification and to adhere to the principle of seeking truth from facts. Party members must be allowed to correct their ideological mistakes and withdraw, defend, or retain their views exposed or voiced during the current party rectification.
5. It is necessary to adhere to the principle of correcting mistakes while carrying out party rectification.
6. It is necessary to carry out party rectification work in conjunction with reforms in various fields of work so that party rectification can promote economic work and make economic work a criterion for judging the success of the current party rectification.
7. It is necessary to accelerate the work of screening the three types of persons.

The provincial session also discussed the party rectification work of units at and below the county level.

CHEN GUODONG, SHANGHAI LEADERS ON REFORM

OW161123 Shanghai City Service in Mandarin 2300 GMT 15 Dec 84

[Text] At a meeting attended by members of the Standing Committee of the NPC conducting a study tour in Shanghai, leading comrades of the Shanghai Municipal CPC Committee said yesterday afternoon that Shanghai would open its door even wider, which is not wide enough today, and that Shanghai would be built into an open, multifunctional, modern socialist central city with a rational industrial structure. They added that Shanghai would enter into a brand new stage of development in the course of reform.

Chen Guodong and Hu Lijiao, respectively first and second secretary of the municipal CPC Committee, and Wang Daohan, secretary of the municipal CPC Committee and Mayor of Shanghai, were present at the meeting, which took place at the Jingjiang Restaurant. Speaking at the meeting, Comrade Chen Guodong, Hu Lijiao and Wang Daohan briefed the guests on the development and problems of Shanghai's production, construction and reform of the economic structure. Regarding Shanghai's reform, they pointed out that Shanghai would cater to international and national needs, give full play to its favorable conditions, do its work flexibly and keep on tapping its resources. They added that the main objective of Shanghai's reform is to enliven its enterprises so they will be operated dynamically. They said that Shanghai will be the forerunner in the course of reform. Members of the NPC Standing Committee conducting a study tour in Shanghai approved certain measures adopted by some selected units in Shanghai. They also presented their opinions on how simultaneous reform could be carried out by various enterprises, companies and bureaus, as well as on commodity prices and rational distribution of tall buildings in the urban areas.

GUANGDONG REPORT PROHIBITS FALSE ACCOUNTS

HK140820 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 13 Dec 84

[Text] The provincial People's Government recently approved and transmitted a report of the provincial Auditing Bureau on strictly prohibiting false accounts, calling on People's Governments at all levels to further strengthen their leadership over auditing supervision and other economic supervision and resolutely half the practices of making false accounts and violating financial discipline.

The report disclosed that the Zijin County Power Supply Company has fabricated a (Huixi) power station in its financial account since 1981, and has fabricated 29 bills charged by the power station for supplying power. The total electricity charges involved came to some 460,000 yuan. In this way the company fabricated its costs, lessened its profits, and evaded its profit taxes.

The report pointed out that such instances are fabricating a unit and bills by the Zijin County Power Supply Company are rare, but cases of making false accounts and profits and evading profit taxes can often be found. In some places and departments this unhealthy practice is very popular and has become increasingly serious.

In order to resolutely half the practice of making false accounts, the report pointed out that all localities, departments and enterprises, in connection with year-end summing up, must check on financial discipline. All units which have made false accounts must consciously correct their mistakes. Otherwise they will be severely punished if their mistakes are verified. Action will be taken to affix responsibilities of the leaders and persons in charge who made false accounts. Auditing organizations in all areas must, in cooperation with local financial, taxation, and banking departments, spend some time next year seriously investigating the practice of making false accounts.

GUANDONG'S ZHUHAI OPENS PORT TO FOREIGN SHIPS

OW170910 Beijing XINHUA in English 0842 GMT 17 Dec 84

[Text] Guangzhou, December 17 (XINHUA) -- The port of Jiuzhou in the eastern part of the Zhuhai Special Economic Zone will be open to foreign ships beginning tomorrow, according to an announcement by the Guangdong Provincial Government.

The port has three berths which can accommodate the cargo ships of 1,000 to 3,000 tons and barges of 3,000 to 5,000 tons. Annual handling capacity is about 300,000 tons. The port has modern loading and unloading equipment as well as transport facilities. There are two warehouses of 1,200 square meters each and a 7,000-square-meter stockyard. The port will serve as a logistics base for oil development in the South China Sea. A berth for 10,000-ton class ships and three for 5,000-ton class ships will be built in the near future. Tendering for their construction is under way. The decision to open Jiuzhou Port to foreign ships was made by the State Council on September 24, 1981.

A passenger terminal was built and Zhuhai-Hong Kong direct shipping service opened in September, 1982. Between January and October of this year more than 225,000 passengers have used the service, 15,000 more than in 1983.

HENAN MEETING REVIEWS PLANNED PARENTHOOD WORK

HK150407 Zhengzhou Henan Provincial Service in Mandarin 1030 GMT 14 Dec 84

[Excerpts] A provincial planned parenthood work meeting was held in Zhengzhou from 8 to 13 December. Han Jingcao, vice chairman of the provincial Advisory Commission and a responsible person in charge of planned parenthood work in the province, delivered a report. He said: According to statistics, the number of births in the province from January to October was 170,000 less than last year. Nearly 10 percent of the townships and towns succeeded in having no births in excess of the plan.

However, at present the leaders in certain areas still lack thorough understanding of the central Document No 7 and the provincial CPC Committee's Document No 60, and fail to implement them effectively. Some party members and cadres are still unable to take the lead in practicing planned parenthood. The work has developed unevenly.

On next year's work, Comrade Han Jingcao pointed out: On this year's basis, we must make planned parenthood work in the province a still more regular and systematic affair next year and aim at still higher targets. Natural population growth in the province next year must be controlled at 8 per 1,000, and we should strive to have it lower than that. Beginning next year, the province must regard the planned parenthood rate as a comprehensive index in the all-round assessment of work, thus changing from the method of using the natural population growth rate for all-round assessment of work. In order to achieve the plans, the prefectures must work out long-term population plans, and first the plans for next year, for the counties, towns, and districts. It is necessary to continue to step up ideological and political work.

WUHAN MILITARY REGION PROMOTES INTELLECTUALS

OW150511 Beijing XINHUA Domestic Service in Chinese 0756 GMT 13 Dec 84

[Excerpts] Wuhan, 13 Dec (XINHUA) -- Through party rectification, the Political Department of the Wuhan Military Region has overcome "mysticism" in cadre work. Combining the method of selecting wise and capable persons through the recommendation of the masses and the method of checking and selecting by the leadership, it has promoted a number of outstanding middle-aged and young cadres to leading posts in office administrative departments.

In the course of party rectification, the CPC Committee, in accordance with the opinions of the masses, has formulated and published specific measures to reform the method of evaluating and selecting cadres, stressing the need to follow the mass line in cadres work. In November this year, the Political Department decided to select and readjust a number of leading office cadres at the section level. The CPC Committee twice solicited the opinions of the masses and let them evaluate cadres and recommend wise and capable persons in line with the criteria for utilizing people in the new period. The CPC Committee then discussed the opinions of the masses and selected the excellent ones for new posts.

Among the former leading cadres of the Political Department of Wuhan Military Region, not many had a college education. Demanding that intellectual cadres be boldly promoted to leading posts and that the educational structure of leading office cadres be changed, the masses recommended some candidates. The CPC Committee of the Political Department highly regarded the masses' opinions and, after making close observation, submitted a report to the CPC Committee at the next higher level requesting approval to promote five outstanding college-educated cadres from the section level to leading posts at the department level. The CPC committee, at the recommendation of the masses, also promoted more than one grade a number of young, educated cadres with special skills.

HUNAN'S LIU ADVISES JOURNALISTS ON NEWS COVERAGE

HK140236 Changsha Hunan Provincial Service in Mandarin 2300 GMT 13 Dec 84

[Text] Governor Liu Zheng told yesterday the province's representatives to the national meeting on commending outstanding journalists that journalists should be bent on becoming specialists and famous. We should also carry out reforms in news coverage and should report more on activities of the masses while giving less prominence to the leadership, individuals and meetings. If we report to excess news concerning the leadership and meetings, we shall load weight on the leadership, and the masses will strongly object to this. Likewise, reporters will find that this achieves little with great efforts. This is why people call reporters "meeting's reporters". Of course, the leadership's opinion can be reported, but we should cover more about activities of masses.

NEW HUNAN REGULATIONS ON HAVING SECOND CHILD

HK140534 Changsha Hunan Provincial Service in Mandarin 1100 GMT 13 Dec 84

[Text] Beginning on 1 January next year, an urban couple who are both only children, a rural couple of which the wife or husband is an only child of a mother or father who is also an only child, and an only son who has only one daughter may apply for giving birth to a second child. This is a part of the new regulations on having two children issued by the provincial People's Government in late November. While formulating the new regulations on having two children, the provincial People's Government reiterated: Birth control is our country's basic state policy and is a major task vital to the prosperity of the Chinese nation. Therefore all the areas should continue to steadfastly and satisfactorily grasp this work. At present we should continue to encourage the practice of one couple giving birth to only one child, effectively ban the practice of giving birth to a second or a third child without permission, and base our birth control policies on the principles of being entirely reasonable, having the support of the masses of people, and facilitating the work of our cadres.

The provincial People's Government regulations on having two children also points out: Economic or organizational disciplinary punishment should be meted out, in accordance with the degree of the offense, to those who have violated the regulations by giving birth to more children than allowed by the plans. Punishment that has already been meted out to those who gave birth to two children before the new regulations were issued and who are allowed by the new regulations to have two children will remain in force. Punishment should also be meted out to those who have committed corruption involving the relaxation of birth control. The provincial People's Government has decided that the regulations for areas of minority nationalities on having two children should be formulated by the nationality autonomous prefectures and counties and then be implemented after the regulations are approved by the provincial government.

HUNAN VICE GOVERNOR ON REALIZING ECONOMIC GOALS

HK140436 Changsha Hunan Provincial Service in Mandarin 2300 GMT 12 Dec 84

[Text] Yesterday at a provincial telephone meeting of industrial and communications departments, Vice Governor Yu Haichao demanded that staff members and workers on the industrial and communications fronts should firmly grasp the latter half of this month to increase total output value by 10 percent or more, as suggested by the provincial CPC Committee and government, and should realize the targets for the simultaneous increase in output value and profits so as to create conditions for further industrial development next year.

After a briefing on the situation in production for this year, Comrade Yu Haichao analyzed the situation in industrial and communications production for next year. He pointed out: Next year the supply of a large quantity of raw and processed materials will be solved through market mechanism regulation. Quite a number of products will be marketed by enterprises themselves. Competition will be increasingly sharper. The province's staff and workers on the industrial and communications fronts are required to understand these new characteristics of the situation. While fulfilling production tasks for this year, they should get mobilized and take the opportunity of a change for the better in the supply of coal and electric power to make preparations for a high takeoff at the very beginning of next year. The provincial CPC Committee and government demanded that the province's total industrial output value in 1985 should reach 25 billion yuan.

HUNAN LEADER STRESSES CIRCULATION OF JOURNALS

HK140414 Changsha Hunan Provincial Service in Mandarin 2300 GMT 13 Dec 84

[Text] According to HUNAN RIBAO, at the provincial emergency meeting on circulation of journals for 1985 which was held on 12 December, Wang Xiangtian, Standing Committee member of the provincial CPC Committee and head of the provincial Propaganda Department, stressed: To do well in the circulation work of journals is, essentially speaking, a requirement of the masses as well as a work for the interests of the people. We should seriously carry the work out. So long as the CPC committees at various levels attach great importance to the work, we can do well in this work, which conforms to the aspirations of the masses.

Wang Xiangtian urged the pooling of all efforts to do well in the work of soliciting subscribers for journals within the last 2 weeks of this year. He urged laying stress on the subscription of party journals in this work, and really do well in the distribution of journals. In particular, we should attach great importance to the delivery of journals to the rural areas.

BEIJING REVIEW ON TENURE OF SICHUAN OFFICIALS

OW160724 Beijing XINHUA in English 0706 GMT 16 Dec 84

[Text] Beijing, December 16 (XINHUA) -- Municipal officials in Chengdu, capital of Sichuan Province, will hold office for five years, and county- and district-level officials will be appointed to three-year terms, according to the latest issue of BEIJING REVIEW to be published tomorrow. But those who are capable and perform well may be re-appointed for a second term, while those who fall down on the job may be removed at any time.

These provisions are part of a new system that puts an end to the de facto "life tenure" previously enjoyed by most Communist Party and government officials. In the past, officials were pretty much assured of holding on to their jobs no matter what their performance; they could be promoted, but rarely demoted. Local officials see the new system as a way to improve work efficiency so as to meet the needs of the current economic reforms.

The new system also stipulates that new officials and staff members for municipal, county and district offices may be recruited from among the ranks of government employees, workers and peasants through examinations. Those passing the exams must sign contracts with the departments which hire them, generally for a term of three years. Those who work well can have their contracts renewed, but those who are incompetent can be fired at any time.

Some enterprises also have fixed tenure of office for administrators. The PEOPLE'S DAILY reported on Friday that the 17th Metallurgical Building Company under the Ministry of the Metallurgical Industry was one of the enterprises doing so. The company, with 17,000 workers, has reduced the number of its administrative offices from 24 to 18. All office heads are appointed to three-year terms. Those who are incompetent may be removed at any time.

The reform of the cadre system has been going on in China for several years. The system includes the selection of cadres and their tenure of office, and retirement of ageing cadres. As a part of the cadre system reform, the Communist Party Central Committee adopted a retirement scheme for veteran cadres in 1981, abolishing the system of life tenure, which had been a long-standing tradition in the country.

YUNNAN COUNTY FAILS IN ADMINISTRATIVE REFORM

OW150115 Beijing XINHUA Domestic Service in Chinese 1423 GMT 13 Dec 84

[By reporter Zhang Dianguang]

[Text] Kunming, 13 Dec (XINHUA) -- In restructuring its administration, Huize County in Yunnan Province failed to achieve its goal of streamlining its administrative structure. The organs became larger and there were more people working for these county organs in the course of restructuring administration.

The administrative restructuring work concluded in Huize County at the end of October last year. Although this restructuring had reduced the number of Standing Committee members of the county CPC Committee and of deputy county heads from 20 in the past to 14, lowered their average age from 48 to 40, and raised the percentage of those with college and vocational secondary educations from the original 15 percent to 64 percent, the number of organs and functionaries working for such organs increased nevertheless.

Prior to the "Great Cultural Revolution," the county had only 24 departments, commissions, bureaus, and offices under its direct administration. This number rose to 29 in 1981 (districts and towns not included). Although departments that perform similar functions such as the Personnel Bureau, the Labor Bureau, the Planning Commission, and the Economic Commission were merged during the restructuring, some 52 organs were added such as the Office for the Collection of Party Historical Data and the Office for Economic Cooperation. In addition, more than 10 temporary organs were also added such as the Traffic Safety Commission, the Office for the Consolidation of Enterprises, and the Office for the Division of Farming Zones, and so on. Also, there were other organs that had not been set up yet although the authorities at the higher level had notified the county on the need to set up such organs -- such as the Radio Broadcasting Bureau. Therefore, the authorized number of people working for the party and government organs at the county level increased from 446 prior to the administrative restructuring to 564.

The drawbacks of overstaffing in various organs have already been preliminarily noted as follows:

1. Operation is not as smooth and work efficiency is low. The Bureau of Agriculture and Animal Husbandry, the Bureau of Forestry and the Bureau of Water Conservancy originally belonged to one unit. Therefore, their work was fairly coordinated. After they became three separate bureaus, they were unable to act if one bureau refused to go along with the other two. The deputy county head in charge of this work was often called upon to mediate in order to solve problems.
2. The number of cadres was reduced at the basic level and the operational strength at this level weakened. Since more organs were set up, it was necessary to select cadres to work for such organs. Since last year, 32 cadres have been transferred to work for the county, thus weakening the operational and leadership strength of some basic-level units. A considerable number of cadres were selected from among the teachers in various schools run by the collective or by the people, thus affecting the quality of instruction to varying degrees.
3. The overstaffing has aggravated bureaucracy among leading cadres. Many organizations with names of every description are headed by the county's leading cadres. For instance, Zhang Kewen, deputy secretary of the county CPC Committee, concurrently holds nine positions, so that he does not even have enough time even to attend meetings. In the past, most of the members of the Standing Committee of the county CPC Committee could spend 8 months of the year visiting grassroots units. Now, only about 2 months are available for them to visit the grassroots units, while most of their time is taken up by meetings and office routine. The head and four deputy heads of the county are so tied up in administrative business that it is very hard for almost any of them to visit grassroots units.

The cadres and people in Huize County are dissatisfied with the overstaffed organizations and hope to simplify them. They hold that the most overstaffed organizations at present are departments, commissions, and bureaus and that one-third of them may be disbanded with a personnel reduction of at least 100. However, they cannot do anything about the problem yet because the present organizations are set up basically according to relevant stipulations by higher authorities. The problem must be solved by the higher authorities.

YUNNAN'S PEASANTS BUILDING RURAL HIGHWAYS

HK160723 Beijing RENMIN RIBAO in Chinese 13 Dec 84 p 1

[Report: "400,000 Peasants in Yunnan Build Rural Highways"]

[Text] According to ZHONGGUO MONGMIN BAO [CHINA PEASANT DAILY], some 400,000 peasants in Yunnan are now engaging in intense fighting for building and rebuilding highways in counties and districts. They are determined to fulfill the task of building and rebuilding 10,000 km of highways this winter and next spring.

Communications are backward in Yunnan Province. At present, there are still 3 percent of districts and 41.8 percent of townships which do not have highways. This has become a factor obstructing the development of the economy. In order to change this situation, the provincial government has required that various localities focus certain labour forces on the construction and reconstruction of 10,000 km of rural highways during this winter and next spring. For this purpose, a special leading organization has been established; the state has allotted 200 million jin of grain, 40,000 dan of cotton, and 8 million meters of cotton cloth and has provided work as a form of relief to help poor areas build county, district, and township highways; and the governments at the provincial, prefectural, and county levels have allocated some reserve funds to subsidize highway construction.

The masses of all nationalities in Yunnan Province, who have suffered severely from backward communications due to the lack of highways, are displaying their spirit of hard struggle and self-reliance in the highway construction. They are practicing the policy of having laborers working on public projects and local people building highways while being subsidized by the state, and are taking an active part in the construction. Since September, various localities have firmly grasped the work of making preconstruction preparations. Now all preparatory work, including signing contracts, surveying and designing, collecting funds, and organizing construction and management units, has been completed. Some 400,000 peasants are leaving for the construction sites, and the construction of 1,548 km of highways has been started, of which 528 km have been completed and accepted after examination.

YUNNAN LEADERS VISIT KUNMING JOINT ENTERPRISE

HK150253 Kunming Yunnan Provincial Service in Mandarin 2300 GMT 14 Dec 84

[Excerpt] The (Huaxing) electronics company, the first Sino-foreign joint venture enterprise in Yunnan, went into production on 8 December. The leading comrades of the province and city have shown great concern for the operations of the enterprise. On 12 December, An Pingsheng, Liu Minghui, Pu Chaozhu, and Zhu Zhihui, and Li Dezhong, a responsible person of the Yunnan liaison group of the Central Commission for Guiding Party Rectification, went to inspect the company. They expressed satisfaction and appreciation over the methods of the Kunming radio plant in boldly carrying out reforms and bringing in foreign investment to enliven the economy.

An Pingsheng and the other leading comrades held a forum with responsible comrades of the (Huaxing) electronics company and the Kunming radio plant, to get to know the situation regarding joint venture operations, the scale of production, the technical strength of the leadership group, and so on. They encouraged and affirmed the methods adopted by the Kunming radio plant in bringing in foreign investment and advanced technology and equipment to develop Yunnan's electronic technology.

Comrade Liu Minghui said during the forum: The (Huaxing) electronics company has made a good start in the province's effort to open up to the world. With more enterprises like this, Yunnan's economic situation will get much better.

TIANJIN ENTERS PARTY MEMBER REGISTRATION PHASE

SK170540 Tianjin City Service in Mandarin 0030 GMT 17 Dec 84

[Excerpts] While taking organizational measures towards party members and carrying out registration of party members, the municipal Discipline Inspection Commission has focused its attention on ideological education, strictly grasped requirements for party members, and adhered to the principle of doing things seriously and earnestly. Among the 92 party members of the entire organ that have participated in party rectification, 91 have been approved for registration. Only one party member has not yet been approved for registration because he has violated discipline.

The municipal Discipline Inspection Commission began party rectification in the early period of last November, and entered the stages of comparison, examination, rectification and correction after conscientiously studying party rectification documents. It entered the stage of organizational measures and registration of party members in mid-October.

To do a good job in this stage, the municipal Discipline Inspection Commission has conscientiously held meetings of party groups, enlarged meetings, and meetings of party branches, and has earnestly examined party members in succession. In the course of examination, it has grasped three main points:

1. Attending to ideological education and enhancing the ideological and political levels of party members.
2. Grasping requirements for party members and key problems, and never investigating general problems.
3. Adhering to the principle of handling problems seriously and earnestly.

JILIN COMMENTARY ON PARTY-MEMBER REGISTRATION

SK170552 Changchun Jilin Provincial Service in Mandarin 1030 GMT 16 Dec 84

[Station commentary: "A Good Job Should Be Done in Conducting Party Member Registration"]

[Text] The units of the provincial level organs which have been assigned to the first stage of party rectification have successively diverted their party rectification tasks to organizational measures and party member registration. How to adopt a correct attitude toward party member registration is a serious issue to which every Communist Party member should give consideration.

The work of party member registration is one of the important steps in thoroughly carrying out the party rectification drive and also represents the summing-up undertaken by party members in the drive. However, some comrades still adopt an indifferent attitude toward the registration, asking: How can they ignore our registration as long as we have not committed serious mistakes? Or they say that party member registration is only a procedure in party rectification after completion of comparison and examination. There are also a few comrades who have committed one mistake or another and did not earnestly examine them, but who always complain about suffering no registration or registration postponement. This has shown that some comrades still do not clearly understand the significance and purpose of party member registration.

The work of party member registration is aimed chiefly at enabling the broad masses of party members to fully discern the necessary conditions for party members in the new historical period through conducting education on party member standards and formally carrying out party member registration. Thus, they can make efforts to strengthen the party's spirit, to upgrade their ideological and working standards, and to actively play a model role of vanguards among the masses so as to deal with the problem cropping up in the ranks of party members of not conforming to the new task of the new situation.

The work of party member registration is a necessary step for maintaining the purity and progress of the party. Through party rectification, efforts should be made to eliminate a number of elements, particularly the three-category elements, that endanger the party, and to maintain the progress of party organizations. It means that every party member must meet the standards set forth by the party Constitution and must be a truly qualified and outstanding party member or be a vanguard in realizing the general line and task of the new historical period. The idea that the work of party member registration is of little importance and is only filling out a form is incorrect. Each party member must adopt a serious attitude toward the work and must not carry out the work perfunctorily.

The work of party member registration represents practical education and tests imposed on every party member. In the course of conducting party member registration, each party member should again adopt the members party standards for set forth by the party Constitution as a yardstick for earnest measurement to see whether or not they are qualified in some fields. Therefore, every party member should earnestly review and sum up the good experience gained in the period since the beginning of the party rectification drive, should find out where he has lagged behind so as to actively set forth a target of improvement, and should do a good job in conducting party member registration by adopting a serious and active attitude toward registration.

GANSU'S LI ZIQI ADDRESSES JOURNALISTS MEETING

HK140510 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 12 Dec 84

[Text] This morning the Propaganda Department of the provincial CPC Committee and the provincial Journalists' Association jointly held a report meeting, inviting the province's representatives who have returned from the national conference of outstanding journalists to brief the participants on the conference. (Huang Yinshou), an advanced unit in the country's journalistic field, gave a briefing on the national conference. He relayed the demands raised at the conference on journalists in the country and communicated a report by (Zhong Peizhang), deputy director of the Journalists Bureau of the Propaganda Department of the CPC Central Committee, on economic reform and journalistic reform.

(Huang Chengbao), GANSU RIBAO reporter and national grade one outstanding journalist, and (Chi Bihong), a reporter of RENMIN JUNDUO BAO [PEOPLE'S ARMY PAPER], said that they will treasure the honor, add to their achievements, go deep into reality, and write more articles that can provoke a sympathetic response from the broad masses.

The grand occasion of the first national meeting on commending outstanding journalists has greatly inspired the 100-odd journalists from the journalistic units of the province and Lanzhou City who attended the report meeting.

Li Ziqi, secretary of the provincial CPC Committee, and Liu Bing, deputy secretary of the provincial CPC Committee, attended the meeting to warmly congratulate the outstanding journalists. Comrade Li Ziqi highly praised the journalists for their achievements in propaganda work and reporting.

Comrade Li Ziqi said: Journalism must not only give publicity to our achievements and commend advanced examples, but must also carry out criticism in a practical way. He also hoped that some outstanding journalists will be commended and praised every year in the future. Comrade Liu Bing encouraged the journalists to scale new heights.

PAPER URGES DEVELOPMENT OF TERTIARY INDUSTRY

HK150653 Yinchuan NINGXIA RIBAO in Chinese 6 Dec 84 p 4

["Economic Forum" by Hui Xinmin: "Actively Develop the Tertiary Industry"]

[Text] In our region a relatively complete industrial system had been established, agricultural production has also greatly developed, both the productive forces and consumption have risen to a comparatively high level, and the need for labor services in every sector of society has been increasing swiftly. But tertiary industry -- the service trades providing all kinds of labor services -- has not yet correspondingly kept up with the situation. At present, the ratio of workers in tertiary industry in the region in relation to the people to be served is 1:150, while the ratio in some advanced cities elsewhere is 1:80. Therefore, to actively develop the tertiary industry seems very urgent and necessary.

To actively develop the tertiary industry in our region is of important significance. First, our region is an area where heavy industry predominates, but due to the long-term practice of attaching importance to production and neglecting marketing, capital turnover, and basic service facilities, many products, like coal, textiles, and mechanical products, are stockpiled for long periods as a result of the tension in transportation and inadequate understanding of their properties in other localities, causing great waste.

The development of tertiary industry can expedite the marketing of commodities as well as capital turnover through various channels, so as to effect a considerable savings in circulation costs and make more capital available for the process of reproduction and to boost the efficiency of industrial production. Second, our region is in northwest China where the economy and culture are comparatively backward. The outstanding manifestations of this are the lack of specialists, the blocking of information, and the backwardness of the consultation business, which hinder the development of commodity economy. Actively developing culture and education, information, and the consultation business will enable enterprises to be clear about the orientation of production and spur them on to be bold in investment, so as to compete with enterprises inside and outside the region and speed up the pace of construction. Third, after our region is opened to the outside world, more and more enterprises will invest and operate in our region and more and more specialists, scholars, and tourists will visit our region. The development of the hotel and restaurant business, transportation, posts and telecommunications, entertainment and recreation and so on will not only suit our needs but also increase the earnings of foreign currency in our region. Fourth, although at present the strain of unemployment in our region is not yet great, the unemployment problem will become more and more outstanding with the deepening of the reform of economic structure, the enormous increase of labor productivity, and the great numbers of surplus manpower which enterprises and rural areas will produce. With the development of tertiary industry, which is low in organic composition of capital but high in labor intensity, the great numbers of laborers in society can be provided for. Finally, with the income of people in urban and rural areas increasing, the demands of the masses of people for such labor services are bathing and hair-cutting, medical treatment and health protection, tourism, and so on will also increase correspondingly. And it is only the development of tertiary industry that will unceasingly satisfy the ever-increasing needs of the masses of the people for national and cultural things, and promote the standard of the people's cultural life.

To develop tertiary industry in our region, first it is necessary to carry out extensive propaganda to unify understanding and eliminate the ignorance and prejudice of looking down upon tertiary industry, by making people understand that the "soft commodities" produced by tertiary industry similarly possess value and use value and making the whole of society respect the labor of the workers in tertiary industry, to enable them to enhance their sense of glory. Second, a series of problems concerning policies must be solved to provide tertiary industry with both "fame" and "gain." Our region is a minority nationality area and is also in the northwest border region, with a comparatively backward economy and culture. However, our region can formulate open-door policies in accordance with the law on autonomy. Besides actively supporting idle laborers in cities within the region to engage in tertiary industry, we should provide conveniences for peasants to set up tertiary industry businesses in cities in the areas of capital, bank accounts, sites, and so on, and support them in the areas of tax revenue and loans. We should truly treat the tertiary industry business as an enterprise to operate and give it legal status. Provided that policies are correct and people have the initiative, a flying leap situation will certainly arise in the tertiary industry in our region.

MEMORIAL SERVICE HELD FOR XINJIANG VICE CHAIRMAN

OW160122 Beijing XINHUA Domestic Service in Chinese 1620 GMT 14 Dec 84

[Text] Urumqi, 14 Dec (XINHUA) -- Tian Zhong, deputy to the Sixth National People's Congress, vice chairman of the Xinjiang Uygur Autonomous Regional People's Government, and deputy secretary of the leading party group of the regional government, died of illness on 7 December in Urumqi at the age of 67.

A modest memorial meeting was held at the auditorium of the regional People's Government this afternoon by people of various nationalities from all circles in Urumqi.

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PRC REGIONAL AFFAIRS
NORTHWEST REGION

Xi Zhongxun and Wang Zhen, as well as the Standing Committee of the NPC, the State Council, the Organization Department of the CPC Central Committee, and other units presented wreaths. Wang Enmao, first secretary of the regional CPC Committee, presided over the memorial meeting. Qi Guo, secretary of the regional CPC Committee, delivered a memorial speech.

The memorial speech said: Tian Zhong took part in revolution for nearly 50 years. He was loyal to the party and worked hard. He lived in Xinjiang for 35 years and always took lead in implementing the party's nationality policy, uniting cadres and masses of various nationalities, working hard, conscientiously performing various tasks, attaching importance to efficiency, making criticism and self-criticism, contributing to the promotion of the prosperity of the socialist cause in Xinjiang, and consolidating the frontier defense.

The responsible persons of the party and government organizations of the autonomous region and the Urumqi Military Region attended the memorial meeting and extended their regards to Tian Zhong's family.

SPOKESMAN DEPLORES DEATH OF PRC ENGINEER IN NEW YORK

OW140045 Taipei CNA in English 0936 GMT 14 Dec 84

[Text] Taipei, Dec. 14 (CNA) -- Wang Chao-yuan, spokesman of the Republic of China's Foreign Ministry, said Friday that the Free World should recognize more clearly the atrociousness of the Chinese Communists from the death of an engineer in the Red Chinese "Consulate," in New York.

Chang Hsin, a 49-year-old mainland Chinese engineer who had tried to seek political asylum in New York early this week, was found hanged in Peiping's "Consulate General" in New York early Wednesday.

Wang recalled that four months ago Chang Cheng-kao, also a mainland Chinese engineer who had sought political asylum in New York, was abducted and sent back to the mainland. Wang said that at time he had predicted that more mainland Chinese will make freedom-seeking actions.

The ROC spokesman call on international human rights associations and related organizations to pay attention to the violation of fundamental human rights by the Chinese Communists, and also to render assistance and protection to those mainland Chinese wishing to seek freedom.

Refuting the Chinese Communist claim that Chang Cheng-kao returned to the China mainland on his free will, Wang questioned: "If the life of the Chinese Communists can be bought, why should Chang Hsin prefer taking his own life to going back to the mainland?"

ECONOMIC GROWTH PLAN SET AT 8.5 PERCENT FOR 1985

OW150411 Taipei CNA in English 0303 GMT 15 Dec 84

[Text] Taipei, Dec. 14 (CNA) -- The economic growth of the Republic of China is set at 8.5 percent for 1985, slightly higher than that for the present year. This year's growth is expected to exceed the targetted rate of 7.5 percent by a wide margin, said the Council for Economic Planning and Development [CEPD].

The CEPD has just completed a draft of the 1985 economic construction plan for the Taiwan area. The draft is pending final approval in a CEPD Committee meeting on Dec. 19.

Other findings of the plan include:

- wholesale price increases should be under 2.5 percent;
- growth rates for the manufacturing and service industries and agriculture are projected to be 9 percent, 8.3 percent, and 1 percent, respectively;
- real growth for the export of commercial and manufactured products is set at 9.9 percent, and imports of the same general category, 16.2 percent.
- the trade surplus for the year 1985 is expected to be U.S. dollar 6.81 billion.

101 HONG KONG GUESTS INVITED TO AGREEMENT SIGNING

HK170241 Hong Kong SOUTH CHINA MORNING POST in English 17 Dec 84 pp 1, 15

[By Terry Cheng]

[Text] The long-awaited list of prominent people who will witness the signing of the Sino-British joint declaration was released yesterday. The list was released simultaneously by the government and the local branch of the NEW CHINA NEWS AGENCY -- only three days before the ceremony in Peking on Wednesday.

The Hong Kong and Macao Affairs Office of China's State Council extended invitations to 101 people, including government officials, Unofficial Members of the Executive and Legislative Councils, leading businessmen, bankers, representatives of various professions, unionists and leaders of social groups. The statement by the government and NCNA said the invitations were issued after "cordial consultations" between the two sides through diplomatic channels. The statement added that a number of people were unable to accept the invitation due to previous engagements. The people invited were described in the statement as "a group of well-known persons from all circles in Hong Kong." They will leave Hong Kong tomorrow and return on Thursday, and are expected to take a special flight to the Chinese capital.

The governor, Sir Edward Youde, and the political adviser, Mr Robin McLaren, were not included in the list. It is believed they will attend the ceremony as members of the British Government delegation to the two-year negotiations. With the government chief interpreter, Mr Y.P. Cheng, they will fly to Peking today, one day ahead of the Hong Kong group.

The 101-member group include six government officials. They are: Mr Denis Bray, secretary for home affairs; Mr E.P. Ho, secretary for trade and industry; Mr Nicky Chan, secretary for lands and works; Mr L.M. Davis, secretary for general duties; and Mrs Anson Chan, director of the Social Welfare Department. There are 12 Umelco members: Sir S.Y. Chung, Mr Roger Lobo, Mr Michael Sandberg, Mr Q.W. Lee, Miss Maria Tam, Dr Harry Fang, Mr Francis Tien, Mr Peter C. Wong, Mr Bill Brown, Mr Stephen Cheong, Mrs Selina Chow and Dr Henrietta Ip. There are also 12 members from the local delegates to the National People's Congress and the Chinese People's Political Consultative Conference: Mr Fei Yi-ming, Mr Yang Guang, Mr K.C. Wang, Mr Ho Sai-chu, Mr Li Tse-chung, Mr Deacon Chiu, Mr Gordon Wu, Mr Henry Fok, Mr Percy Chen, Mr K.S. Lo, Mr Li Lian-sheng and Mr Huang Ke-li.

Members from business, banking, real estate and transport circles include: Mr. Li Ka-shing, Mr Jack Tang, Mr Ngai Shiu-kit, Mr Stanley Ho, Mr J.P. Lee, Sir Kenneth Fung, Mr Li Shao-kee, Mr Liu Lit-man, Sir Philip Kwok, Mr Michael Miles and Mr. P.C. Lee. Members of the legal profession include: Mr Henry Litton, Mr Martin Lee, Mr T. G. Freshwater, Miss Liu Yu-chu and Mr Justice Simon Li, who was a member of the now defunct monitoring team to the work of the Assessment Office on the acceptability of the draft agreement. Members of professional and educational bodies include: Mr Edward Ho, Mr Ho Hung-chiu, Mrs Winne Chan, Dr Ma Lin, Dr Daniel Tse, Dr Y.K. Ching and Mr Cha Chi-min. The Urban Council and Heung Yee Kuk will also be represented, by Mr Hilton Cheong-leen, Mrs Elsie Elliott, Mr H.M.G. Forsgate and Mr Lau Wong-fat. Religious representatives include the Rt Rev Kwong Kong-kit, Father M.C. Yeung, Mr Wilson Tuet, Mr Wong Wan-tin and Jue Guang. Unionists include Mr Szeto Wah, Mr Li Qi-ming, Mr Wong Wai-hung, Mr Mak Hoi-wah, Mr Albert Lam, Mr Anthony Luk and Mr Kwok Yuen-hon. Members of charity and social groups include Mrs Lee Yip Wai-kay, Mr Mok Wahchiu and Mr Lau Nai-Keung.

Guesses about who would be invited dragged on about for a month., and once or twice the list was withheld just as it was about to be released -- perhaps because of consultations by the Chinese and British Governments through diplomatic channels. "It takes time to compile a balanced list," one source said.

GU MU INTERVIEWED ON SPECIAL ZONES, OPEN CITIES

HK160625 Hong Kong WEN WEI PO in Chinese 14 Dec 84 p 3

["Special Feature" by Kuang Yu: "Issues Concerning the Special Zones and Open Cities -- Summary of Interview With Gu Mu by Our Correspondent"]

[Text] Will Hainan Island and Xiamen become free ports? Will the number of open cities be further increased? How will the present confusion in currency circulation in Shenzhen be overcome? How is the problem of too many "mothers-in-law" to be solved for the factories set up by foreign businessmen in the hinterland? Are prices of goods too high in open cities? How will the hinterland transfer its market share to foreign businessmen? Will the development of the open cities cause them to replace Hong Kong's position? For the answers to these questions, this reporter has recently interviewed Gu Mu, member of the Secretariat of the CPC Central Committee and state councillor. The following is a summary from the recording of the interview.

Guangdong and Fujian Will Get Greater Decisionmaking Power

Question: What concrete principles and policies have been formulated at the recent Guangdong and Fujian conference?

Answer: The conference was mainly aimed at letting the responsible persons of the two provinces and the State Council exchange their views. To be more specific, it is time for Guangdong and Fujian to sum up their experiences in carrying out the special policies and flexible measures during the past 5 years! Now, they should study the questions of whether the two provinces should continue to implement these measures and what problems they should solve if they are to continue to implement these measures. According to our understanding, it is necessary for the two provinces to continue to carry out the special policies and flexible measures and to reform their economic structure and structure of organizations in accordance with the decision of the "third plenary session." They should be forerunners for the whole country in enlivening the economy at home and opening to the outside world.

By the two provinces making further progress under the new situation, we do not mean that the state should give them more money and materials and goods to support them, but that the state should transfer greater power to them to let them have greater decision-making power and enable them to open their doors wider.

Division of Labor Between Special Economic Zones and Open Cities

Question: Is there any difference concerning division of labor, between the preferential policies for drawing in foreign funds between the 14 coastal open cities, the four special economic zones, and Hainan Island?

Answer: The preferential policies of the coastal open cities differ from that of the special economic zones. For example, Shenzhen Special Economic Zone can import from abroad any kind of industrial equipment, and can engage in all undertakings including industry, tourism, and "tertiary industry." The rate of income tax is only 15 per cent. However, in the coastal open cities, the rate of income tax is 20 percent less than that in other hinterland areas, namely, 20 percent less on 30 percent, which gives a rate of 24 percent. However, they can enjoy some of the preferential treatment enjoyed by special economic zones concerning the rate of tax related to energy, raw materials, port facilities, communications and transportation. Besides, some small areas were designated as economic and technological development districts in these open cities. These areas are allowed to enjoy the same preferential treatment, including the 15 percent tax rate, in importing relatively more advanced new technology from abroad.

However, there must be clear geographical boundaries between these developments areas and the cities. Concerning the division of labor among the open cities, all the cities should taken into account their own geographical position and other conditions. If a city has a certain kind of raw materials or resources, it should pay particular attention to giving play to this strong point. However, what should be done if some other places do not have such a strong point related to resources? Therefore, we should avoid the practice of all cities simultaneously importing from abroad the same technology to develop the same products. Each open city has its own characteristics, should give play to its strong points and avoid its weak points, and should draw up its plans in this way.

Question: How will you straighten things out when there are contradictions between the development of the open cities and that of the hinterland cities?

Answer: Quick development is favorable for the state whether in coastal open cities or in hinterland cities. If our coastal cities develop quickly, the advanced technology in coastal areas can be transferred to the hinterland to support it. There will perhaps be some disparity between the pace of development in these two kinds of areas, but from a long-term point of view this is advantageous for the state. The development of coastal cities will bring along the development of the hinterland. Moreover, coastal cities can popularize their large amount of advanced management experience to the hinterland areas and urge them to develop their economy and make progress together with coastal cities.

Opening up Zhu Jiang Delta Under Consideration

Question: It is said that Xiamen and Hainan will be developed into free ports. Is this true?

Answer: For the time being, there is no plan for setting up free ports. The state's plan is to give them greater decisionmaking power in opening to the outside world, but as they [as published] put it, the idea is to establish the methods of free or semi-free ports or something similar. If we had wanted to set up a free port, we would have discussed this problem in the conference. However, at present no such thing has been considered. What we are going to do is merely to allow them to further relax their policies.

Question: Will more cities be opened in the hinterland in addition to the 4 special economic zones, Hainan Island and the 14 coastal open cities?

Answer: I stress actual results. If the open cities have scored considerable achievements in their work and if fine experiences have been gained in practice in all sectors, we may consider opening more cities. For example, we may consider turning some areas in the Zhu Jiang Delta into open cities and thus bringing along the development of the whole delta. For another example, not implement the economic open-door policy in Wuhan, Nanjing, Zhenjiang, Wuxi, Suzhou and Hangzhou -- the cities in the middle and lower reaches of the Chang Jiang.

Several Forums of Areas Opened to Outside World

Question: How many forms of the areas opened to the outside world are there at present in the hinterland?

Answer: The special economic zone is one form, while Hainan Island adopts another form. Because Hainan has the geographical condition of being an island, there is no need to consider the question of geographical boundaries. Therefore, both joint venture and sole proprietor enterprises can be set up in any areas on the island. They can all enjoy special preferential treatment, but the island is not called a special economic zone.

As for the coastal open cities, they are another form. However, there is no uniformity in the open-door policies of these coastal cities. For example, we allow Beihai City, a city with a relatively weak foundation, to enjoy the same preferential treatment as the special zones in importing means of production from abroad, carrying out joint ventures with foreign capital, letting foreign sole proprietor enterprises operate there, and processing foreign goods. As a result, this city is different from other coastal open cities.

Number of "Mothers-in-Law" Is Reduced After Decentralization and Relaxation of Restrictions

Question: A small number of foreign businessmen reflect the view that it is easy to donate money to set up schools, hospitals, or other charitable institutions in the hinterland, but they will not feel at ease if they invest money to set up factories there. The cause of this is that there are too many "mothers-in-laws." What is Your Excellency's opinion?

Answer: The decision of the "third plenary session" precisely says among other things that structural reform means decentralization, relaxing restrictions on our enterprises, and thus enabling our enterprises to have greater decisionmaking power. This will contribute to removing the worries of foreign businessmen. For example, now projects with foreign investment below \$5 million in medium-sized and small coastal open cities and projects with foreign investment below \$30 million in big cities need not apply for approval by the state. Therefore, the problems related to the large number of "mothers-in-law" has basically been solved. As long as the decision of the "third plenary session" is conscientiously implemented, the problems related to foreign businessmen's worries will gradually be solved.

Problems Related to Special Zone Currency Will Be Solved Next Year

Question: Some people say that the prices of goods would be relatively higher in any areas involved in the implementation of the open-door policies. What is Your Excellency's opinion?

Answer: In the past, prices were highest in Guangdong. However, now the price of goods in Guangdong is stable or falling. The rise and fall of prices is determined by the law of supply and demand. If there is a basic balance between production and sales, the price of goods will become stable! If there is a shortage of supply, the price of goods will rise. This is mainly determined by whether or not there is plenty of materials and goods and whether or not the regulation of the market mechanism is suited to objective economic development.

Question: Now many kinds of currencies are in circulation in Shenzhen and there is relatively great confusion there. When will the problem related to the currency in special zones be solved?

Answer: This problem will perhaps be solved next year. This currency will not be linked with the U.S. dollar, but may be linked to a package of many currencies. When there is a special zone currency, all other currencies including foreign exchange certificates and renminbi will be withdrawn from the market there. Foreign currencies will be allowed to be brought into the special economic zones, but they will have to be changed into special zone currency in banks.

Circulation of Materials and Goods of the Special Economic Zones Within the Special Economic Zones

Question: When will the administrative line of the Shenzhen Special Economic Zone be formally in operation: Is it necessary for the administrative line to exist when the economy in the hinterland has developed and taken a turn for the better?

Answer: No fixed time has been finally scheduled for the beginning of the operation of the special zone administrative line. The establishment of the line is aimed at satisfactorily administering the special economic zone and thus creating a special investment environment for investment by foreign businessmen.

In other words, the materials and goods of the special economic zone are only allowed to circulate in the zone itself, and if they are carried outside the zone they must undergo customs examination. In most of the special economic zones in the world, there are such administrative lines and if there are not, there will be some special methods of administration. When the Shenzhen administrative line is in operation, tariffs will be waived on all imports except for a small number of things such as cigarettes and alcohol. When the control of exports is relaxed on the first line of the border with Hong Kong, we must enforce strict control on the special zone administrative line between the special zone and the hinterland. At that time, you will find it very convenient to enter and leave Shenzhen.

Hong Kong's Position and Interests Will Not be Replaced

Question: Some people fear that the development of the open cities will finally replace Hong Kong's position and interests. What is your opinion?

Answer: It will not replace Hong Kong's position and interests. The development of the open cities will only play a favorable role for Hong Kong. They can do more business in Hong Kong and exploit Hong Kong's favorable conditions as a free port and an international financial center. This will only play a further role in promoting the development of trade in Hong Kong. On the other hand, Hong Kong should not be content with its present situation and must catch up with the tide of world technological reform. When the coastal areas satisfactorily run their economy, they will further promote Hong Kong's development. The mainland can supply what Hong Kong is short of. If the economic relations between Hong Kong and the hinterland are satisfactorily handled, and if the two areas each supply what the other lacks, they will enjoy common prosperity.

We Are Willing To Trade Market for Technology

Question: Will you give me an explanation about the practice of the hinterland giving away some market share to foreign businessmen?

Answer: The major point is whether the technology is advanced. If it is we can allow foreign businessmen to enter our domestic market. How large a share of the market will we allow them to have? We can allow them to take 30 percent, 50 percent, or even 100 percent of the market. However, this technology must be what we need at home and must be geared to the production of products that our people lack and that are well accepted in the market at home. If this is the case, we are willing to trade market for technology.

HSIN WAN PAO VIEWS ASPECTS OF PRC OPEN POLICY

HK160557 Hong Kong HSIN WAN PAO in Chinese 14 Dec 84 p 2

["New talk" column: "Another New Move in the Open-Door Policy"]

[Text] If it can be said that there was a heavy "iron curtain" in China in the 1950's and the 1960's, then this "iron curtain" was being gradually lifted by the implementation of the open-door policy toward the end of the 1970's. It can be stated without any exaggeration that in a span of only a few years this "iron curtain" has disappeared or is about to disappear.

As for the open-door measures in the economic field, numerous instances can be cited. As for the open-door measures in the fields of culture, arts, and physical culture, there are also a lot of instances. Famous film and television stars of Hong Kong to north to produce films or television features, and Hong Kong's singers go to the mainland to give performances -- all these are quite the fashion.

With regard to exit and entry, studying abroad at one's own expense was allowed a few years ago, "Hong Kong tours" began to be run by travel services last year, and now the procedures in approving or replying to applications of citizens for going abroad on the grounds of private affairs have been further relaxed. Exchanges with foreign countries in culture, arts, and ideology were different from economic activities dealing with foreign countries such as investment or trade -- this was the view of people in the interior in the past, was it not? But people can see now there are no restricted areas in various aspects of the life of the people in implementing the open-door policy, and various obstacles in implementing this policy are being gradually overcome.

With regard to the applications of citizens of China for going abroad, the cases often needed a very long time to settle or were even impossible to approve in the past. There were two main obstacles in this respect: one was that the working personnel in charge of examination and approval were influenced by ultraleftist ideology, and were afraid of making mistakes in handling cases, or else they were prone to suspicions of the intentions of the applicants. The other was that complex procedures were involved in terms of examination and approval, and very often a lot of time was needed in handling the cases. Naturally, these two defects hampered the rational and reasonable overseas activities of the people in the interior.

Quite a few Hong Kong people have had this experience: The applications of their relatives in cities and rural areas in the interior for return permits to visit Hong Kong were often delayed in processing -- half a year was normal, and one whole year was not uncommon. Sometimes, when an application was handed in, there would be no news about it whatsoever -- what was the reason? It was due to the workings of the above two, or at least one, reasons. Well, now the State Council and the Ministry of Public Security have discovered this type of problem and have ordered improvements.

The complex procedures in examination and approval are being reformed, the power of issuing visas is delegated to the public security bureaus one level under the provincial and autonomous regional authorities, and a reply stating approval or disapproval should be given to the applicant within 60 days. These directives of the Ministry of Public Security are an important step in enhancing work efficiency. Of course, the key to the whole problem still lies in the thorough elimination of the hindrance and influence of leftist ideology by the personnel in charge.

It is normal that students go abroad to study at their own expense, or citizens go overseas to meet their relatives or deal with their affairs for private purposes. People are pleased to see that the central departments pay attention to the rights and interests of citizens. As a matter of fact, the number of such instances has been increased in recent years. Last year, the number of persons who succeeded in obtaining permits to go abroad for private reasons rose by nearly 30 percent over the previous year, and it is certain that the number of persons of this category will increase still further.

With the increase of the number of exits and entries, a relatively greater number of unpleasant things may happen. For example, students studying abroad at their own expenses may prefer to stay overseas after completion of their studies, or a certain person may "seek refuge in Taiwan." However, there is nothing extraordinary in these cases. For students to stay in Europe or in the United States after completion of their studies does not necessarily mean that they do not love China; for a certain person to seek refuge in Taiwan does not necessarily mean that China's image will be smeared. After all, Taiwan is also a part of China.

The "iron curtain" does not exist along the long coastline of China, nor in Shenzhen or Wenjindu. If there is truly an "iron curtain," it would exist in Taiwan!

HSIN WAN PAO ON SHULTZ' VISIT TO EUROPE

HK140924 Hong Kong Hsin Wan Pao in Chinese 12 Dec 84 p 2

["New Talk" column: "Shultz Goes to Europe To Discuss Strategy Toward the Soviet Union"]

[Text] U.S. Secretary of State Shultz is now on his last visit to Europe before the end of this year. He arrived in London yesterday to attend a 3-day NATO foreign ministerial meeting. He will visit Brussels today and will make a trip to Bonn on 15 December.

This is Shultz' first trip to Europe for talks since Reagan's reelection as the U.S. President and the announcement of Shultz second term as secretary of state. It is widely considered that this visit by Shultz is related to his talks with Soviet Foreign Minister Gromyko in Geneva next month or, to be more precise, the purpose of this visit by Shultz is to solicit the opinions of other countries so as to make preparations for next month's talks.

Shultz' first destination was Britain. He held a day-long round of talks with British Foreign Secretary Howe yesterday. They may have further exchanged views on U.S.-Soviet relations, British-Soviet relations, and the situation in Europe.

Gorbachov, the No 2 man in the Soviet Union, is going to visit Britain and meet Howe. Gorbachov is the acknowledged successor to Chernenko. This will be his first visit to a foreign country since his promotion. Moreover, his visit is deliberately scheduled to fall before the U.S.-Soviet talks. Therefore, Gorbachov's visit has drawn particular attention. Some people hold that the Soviet Union, still cherishing hopes of sowing discord between Europe and the United States, is going on with its efforts to win over West European countries.

Howe and Shultz may have thrashed out the way to deal with with Soviet Union's diplomatic offensive, or Shultz may have asked Howe to deliver some message to the Soviet Union. Both are possible.

The current situation indicates that Reagan, the reelected U.S. President, is assuming an ambiguous attitude toward U.S.-Soviet talks.

He is the only post-war U.S. President who has never met with his Soviet counterpart during his 4-year presidency. After his reelection, he announced the reappointment of Shultz as secretary of state and, later, of Weinburger as secretary of defense. These appointments mean that Reagan does not think there is anything wrong with the Soviet policy implemented during his first term of office and that he would uphold this policy with the help of his two reliable assistants.

However, Reagan cannot ignore public opinion, both in the world and at home, demanding a relaxation of the situation. So, he has to get in touch with the Soviet Union. And this has led to the decision on resumption of the talks. But, it is generally estimated that the meeting between Shultz and Gromyko will only serve as an introduction to the resumption of the disarmament talks which will remain a protracted process. The results would be regarded as satisfactory if any achievement can be made in 3 to 4 years.

Reagan has put forth an "umbrella plan" as a basis for the forthcoming disarmament talks. According to this plan, all issues will be touched on in the talks, otherwise there will be no disarmament talks. The Soviet Union is now returning to the conference table after boycotting the disarmament talks for more than 1 year, although it definitely knows that Reagan has not at all changed his stand. This does not mean that the Soviet Union has already agreed to resume the talks based on the "umbrella plan."

In fact, it just hopes to destroy or defer the U.S. "Star Wars" strategy since it is lagging behind in the development of space weapons.

Anyway, there is one thing to be remembered -- next May will mark the 40th anniversary of the European battlefield armistice of World War II. If the United States and the Soviet Union still fail to hold a summit by that time, Reagan's original policy would probably encounter more criticism in the world.

It is reported that when Shultz arrives in Bonn 3 days from now, he will discuss the question on the U.S.-Soviet Berlin summit to be held in May next year. Reagan and Chernenko will have to produce at least some superficial agreement as meager proof of their sincerity. Therefore, the period between January and April will be crucial for the improvement, if any, of U.S.-Soviet relations.

FRG BUSINESSMEN DISCUSSING NUCLEAR CONTRACTS

HK121146 Hong Kong Television Broadcast Limited in English 1100 GMT 12 Dec 84

[Text] West Germany is working hard to gain a slice of China's substantial atomic market. This week, German businessmen are discussing in Beijing a potential \$2 billion contract to build a nuclear energy plant in Jiangsu Province. That project would be for a pair of 1,000 megawatt reactors, with an option for two more.

France and Britain are now in the final stages of securing contracts with China to build a \$3.5 billion power plant at Daya Bay, north of Hong Kong.

PRC LEGAL EXPERT LEAVES; BASIC LAW NOT DISCUSSED

HK140401 Hong Kong SOUTH CHINA MORNING POST in English 14 Dec 84 p 22

[Text] The leader of a delegation from the Law Institute of the Chinese Academy of Social Sciences said yesterday he was very impressed with Hong Kong. Mr Wang Shuwen said he had to leave earlier than his colleagues because of work in Peking. The other six members of the delegation will continue the visit, which is scheduled to last one month. The team arrived on December 3 and had met various people in the legal profession and visited the Legal Department and Judiciary.

Mr Wang, a director of the Law Institute, said he had not discussed the drafting of the basic law for Hong Kong during his stay. "The purpose of the visit is to learn more about the local legal systems" he said. Mr Wang said he had a very good impression of Hong Kong. However, he did not elaborate.

Mr Wang was seen off by Mr Ho Sai-chu, the director of the Law Committee of the Chinese General Chamber of Commerce.

Meanwhile, it is understood that the remaining delegates plan to meet some Umelco and district board members. There are no fixed schedules.

The mission for the first two weeks will carry out its task as a group while for the remaining two weeks delegates will be on their own meeting individuals in their fields.

Some delegates specialise in Constitution, some on economic laws and others on political structure. According to people who have met the delegates, the mission is very keen about legal systems and practices in Hong Kong.

However, they were cautious in expressing their views on matters relating to the drafting of the basic law.

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